

REFINITIV

DELTA REPORT

10-K

CORE & MAIN, INC.

10-K - JANUARY 28, 2024 COMPARED TO 10-K - JANUARY 29, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	15025
CHANGES	348
DELETIONS	11316
ADDITIONS	3361

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended January 29, 2023 January 28, 2024

OR

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

For transition period from to
Commission File Number 001-40650

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Core & Main, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

86-3149194

(I.R.S. Employer
Identification Number)

1830 Craig Park Court
St. Louis, Missouri 63146
(314) 432-4700

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A common stock, par value \$0.01 per share	CNM	The New York Stock Exchange

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

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

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

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

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

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

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

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.1D-1(b). ☐

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$1.462 \$2.989 million.

As of March 24, 2023 March 15, 2024, there were 173,024,926 192,151,694 shares of the registrant's Class A common stock, par value \$0.01 per share, and 73,041,787 9,219,339 shares of the registrant's Class B common stock, par value \$0.01 per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement for the registrant's 2023 2024 Annual Meeting of Stockholders have been incorporated by reference into Part III of this Annual Report on Form 10-K.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include, without limitation, all statements other than statements of historical facts contained in this Annual Report on Form 10-K, including statements relating to our intentions, beliefs, assumptions or current expectations concerning, among other things, our future results of operations and financial position, business strategy and plans and objectives of management for future operations, including, among others, statements regarding expected growth, future capital expenditures, capital allocation and debt service obligations, and the anticipated impact on our business, are forward-looking statements, business.

Some of the forward-looking statements can be identified by the use of forward-looking terms such as "believes," "expects," "may," "will," "shall," "should," "would," "could," "seeks," "aims," "projects," "is optimistic," "intends," "plans," "estimates," "anticipates" or the negative versions of these words or other comparable terms.

Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be outside our control. We caution you that forward-looking statements are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of the market in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this Annual Report on Form 10-K. In addition, even if our results of operations, financial condition and cash flows, and the development of the market in which we operate, are consistent with the forward-looking statements contained in this Annual Report on Form 10-K, those results or developments may not be indicative of results or developments in subsequent periods. A number of important factors, including, without limitation, the risks and uncertainties discussed under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Annual Report on Form 10-K and other factors discussed in our filings with the United States ("U.S.") Securities and Exchange Commission (the "SEC"), could cause actual results and outcomes to differ materially from those reflected in the forward-looking statements. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Annual Form on Form 10-K. Factors that could cause actual results and outcomes to differ from those reflected in forward-looking statements include, without limitation:

- declines, volatility and cyclicalities in the United States ("U.S.") residential and non-residential construction markets;
- slowdowns in municipal infrastructure spending and delays in appropriations of federal funds;
- our ability to competitively bid for municipal contracts;
- price fluctuations in our product costs;
- our ability to manage our inventory effectively, including during periods of supply chain disruptions;
- risks involved with acquisitions and other strategic transactions, including our ability to identify, acquire, close or integrate acquisition targets successfully;
- the fragmented and highly competitive markets in which we compete and consolidation within our industry;
- the development of alternatives to distributors of our products in the supply chain;
- our ability to hire, engage and retain key personnel, including sales representatives, qualified branch, district and regional managers and senior management;
- our ability to identify, develop and maintain relationships with a sufficient number of qualified suppliers and the potential that our exclusive or restrictive supplier distribution rights are terminated;
- the availability and cost of freight;
- the ability of our customers to make payments on credit sales;
- changes in supplier rebates or other terms of our supplier agreements;
- our ability to identify and introduce new products and product lines effectively;
- the spread of, and response to public health crises and the inability to predict the ultimate impact on us;
- costs and potential liabilities or obligations imposed by environmental, health and safety laws and requirements;
- regulatory change and the costs of compliance with regulation;
- changes in stakeholder expectations in respect of environmental, social and governance ("ESG") and sustainability practices;
- exposure to product liability, construction defect and warranty claims and other litigation and legal proceedings;
- potential harm to our reputation;
- difficulties with or interruptions of our fabrication services;
- safety and labor risks associated with the distribution of our products as well as work stoppages and other disruptions due to labor disputes;
- impairment in the carrying value of goodwill, intangible assets or other long-lived assets;
- interruptions in the proper functioning of our and our third-party service providers' information technology systems, including from cybersecurity threats;
- our ability to continue our customer relationships with short-term contracts;

- risks associated with exporting our products internationally;
- our ability to maintain effective internal controls over financial reporting and remediate any material weaknesses;
- our indebtedness and the potential that we may incur additional indebtedness;
- the limitations and restrictions in the agreements governing our indebtedness, the Amended and Restated Limited Partnership Agreement of Holdings and the Tax Receivable Agreements (each as defined herein);
- increases in interest rates and the impact of transitioning away from LIBOR, generally to Term SOFR (each as defined herein), as a benchmark rate in contracts;
- changes in our credit ratings and outlook;
- our ability to generate the significant amount of cash needed to service our indebtedness;
- our organizational structure, including our payment obligations under the Tax Receivable Agreements, which may be significant;
- our ability to sustain an active, liquid trading market for our Class A common stock;
- the significant influence that CD&R (as defined herein) has over us and potential conflicts between the interests of CD&R and other stockholders; and
- risks related to other factors discussed under "Risk Factors" in this Annual Report on Form 10-K.

You should read this Annual Report on Form 10-K completely and with the understanding that actual future results may be materially different from expectations. All forward-looking statements made in this Annual Report on Form 10-K are qualified by these cautionary statements. These forward-looking statements are made only as of the date of this Annual Report on Form 10-K, and we do not undertake any obligation, other than as may be required by law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, and changes in future operating results over time or otherwise.

PART I

Item 1. Business

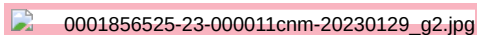
Our Company

Core & Main, Inc. ("Core & Main" and collectively with its subsidiaries, the "Company," "we," "our" or "us") is a holding company and its primary material asset is assets are its direct and indirect ownership interest in Core & Main Holdings, LP, a Delaware limited partnership ("Holdings"), and deferred tax assets associated with this ownership. Core & Main is a leader in advancing reliable infrastructure with local service, nationwide. As a leading specialized specialty distributor with a focus on water, wastewater, storm drainage and fire protection products, and related services, we provide solutions to municipalities, private water companies and professional contractors across municipal, non-residential non-residential and residential end markets, nationwide. Our specialty products and services are used primarily in the maintenance, repair, replacement and new construction of water, wastewater, storm drainage and fire protection infrastructure. We are one of only two national distributors operating across large and highly fragmented markets, which we estimate to represent approximately \$40 billion \$39 billion in annual sales.

As of January 29, 2023 January 28, 2024, we have had a network of approximately 320 branch approximately 335 branch locations in 48 states across the U.S., which serve as a critical link between over 4,500 approximately 5,000 suppliers and a diverse and long-standing base of approximately over 60,000 customers. Our sales reach, technical product knowledge, broad product portfolio, customer service, project planning and delivery capabilities, and ability to provide local expertise, nationwide, make us a critical partner to both our customers and suppliers.

We offer a comprehensive portfolio of more than 200,000 stock keeping units ("SKUs") covering a full spectrum of specialized products and services, including pipes, valves & fittings, storm drainage products, fire protection products and fabrication services, and smart metering products and technology. Our products are generally unique to our industry and must meet local specifications, municipal, state and federal specifications and engineering standards.

We have a balanced mix of sales across product categories, end markets and construction sectors. We derived approximately 39% 42% of our net sales for the fiscal year ended January 29, 2023 January 28, 2024 ("fiscal 2022" 2023") from the municipal construction sector, 39% 38% from the non-residential construction sector and 22% 20% from the residential construction sector. Furthermore, we estimate that we had a near-equal mix of sales related to construction on new projects and existing repair and replace projects in fiscal 2022 2023.



Our company The Company and our people are committed to advancing reliable infrastructure with local service, nationwide. Our mission is to serve as an industry leader, supplying local expertise, products and services to build innovative water, wastewater, storm drainage and fire protection infrastructure solutions for the communities we serve. We support our customers and our communities in their efforts to find both short- and long-term solutions to conserve water. We embrace our responsibility in contributing to the evolution of our industry over the long term, providing innovative technology solutions and giving visibility to the critical importance of reliable water infrastructure and fire protection systems.

Our History

Our first legacy distribution company dates back to 1874, and over the years, our company the Company has grown organically and through a series of mergers and acquisitions. In 2005, The Home Depot acquired National Waterworks Holdings and subsequently merged it with Hughes Supply Inc. to establish one of the leading waterworks distributors in the U.S. Under The Home Depot's ownership, we became HD Supply Waterworks and completed several small acquisitions to further expand our geographic footprint. In 2007, a group of private equity investors acquired the HD Supply business from The Home Depot and subsequently executed an initial public offering in 2013. In August 2017, HD Supply Waterworks was acquired by Clayton, Dubilier & Rice, LLC ("CD&R") from HD Supply and was subsequently rebranded as Core & Main. On July 27, 2021, we

completed our initial public offering of Class A common stock (the "IPO"). Since then, the IPO, we have continued to grow the business organically and through completed a series of acquisitions. Secondary public offerings of shares of Class A common stock on behalf of the CD&R Investors (as defined below under Item 1A. "Risk Factors"), and as of January 25, 2024, the CD&R Investors no longer held any shares of our Class A common stock or our Class B common stock.

Our End Markets

We have diversified end market exposure across three primary construction sectors: (i) municipal; (ii) non-residential; and (iii) residential.

Based on management's estimates, we believe that our addressable market in the U.S. for the distribution of water, wastewater, storm drainage and fire protection products, and related services, represented approximately \$40 billion \$39 billion in sales in fiscal 2022, 2023. Growth in our industry is driven by a broad array of factors, including municipal water infrastructure spending, water and wastewater utility rates, interest rates, commercial construction, housing starts, population growth and other demographic trends.

Municipal

We estimate that approximately 39% 42% of our net sales in fiscal 2022 2023 were to contractors and municipalities for municipal funded projects, including the repair, replacement, upgrade and new construction of water and wastewater supply, filtration, storage and distribution systems. Municipalities establish local product specifications based on regulatory requirements and engineering standards. Given our extensive geographic footprint and technical knowledge of products and local municipal specifications, we believe we are well-equipped to anticipate and serve the needs of both local needs as well as municipalities and large private underground utility contractors who require a national reach and an extensive product offering.

Municipal demand has exhibited steady growth over the long term due to the critical and immediate need to replace aged water infrastructure. However, due to limited available funding over the last decade, the pace of investment has significantly lagged the need for investment to upgrade water systems throughout the U.S., which has resulted in significant underinvestment in water supply, water safety and wastewater management. In November 2021, the Infrastructure Investment and Jobs Act ("IIJA") was signed into U.S. law, which includes included an allocation of \$55 billion to invest in water infrastructure across the U.S. In the coming years, we expect increased federal infrastructure investment to have a core focus on the upgrade, repair and replacement of municipal waterworks water infrastructure systems, and to address demographic shifts and serve the growing population. We believe these dynamics, coupled with expanding municipal budgets, create the backdrop for a favorable funding environment and accelerated investment in projects that will benefit our business.

Non-Residential

We estimate that approximately 39% 38% of our net sales in fiscal 2022 2023 were directly related to clean water and wastewater infrastructure, storm drainage and fire protection systems supporting U.S. non-residential construction activity, including commercial, industrial, commercial, institutional, warehouse warehousing, multi-family and multi-family development highway and street projects. Our products are often installed while breaking ground on new lot development during the initial construction phase, though some products, like storm drainage products, are used during both new construction and repair and replace activities. Our fire protection products are typically installed at later stages of construction projects compared to most of our other products and exhibit less seasonal patterns since they are generally installed indoors and are therefore less impacted by weather conditions.

Demand across the U.S. non-residential construction market has historically lagged residential construction activity as commercial development is necessary to support new housing development. Over the long term, we expect non-residential construction activity to increase as suburban communities expand and demand increases for our waterworks, clean water, wastewater, storm drainage and fire protection products. Furthermore, the IIJA provides funding to protect against droughts, floods, heat and wildfires, funding to repair roads and bridges, and funding to create more modern and resilient airport infrastructure, which could provide benefits for non-residential construction activity over the next several years.

Residential

We estimate that approximately 22% 20% of our net sales in fiscal 2022 2023 were directly related to clean water and wastewater infrastructure projects to supply and service residential construction activity. Residential spending in our industry is driven by new land and lot development for single-family housing. Over the long-term, U.S. residential construction activity is expected to grow as a result of population growth, low housing inventory and demographic population shifts. The current under-build of housing in the U.S. compared with household formations implies significant pent-up demand and continued growth going forward.

Our Strategies

We intend to capitalize on our competitive strengths to deliver profitable growth and create shareholder value through the following core strategies:

Replicate Successful Expansion in Underpenetrated Geographies

We have demonstrated an ability to successfully expand in underpenetrated geographies, having opened 15 new locations since 2017. geographies. We intend to continue pursuing opportunities to strengthen our presence in metropolitan statistical areas ("MSAs") where we have an established footprint as well as in certain underserved markets. We believe we are well-positioned to do so through our market intelligence and our ability to attract and develop sales talent. We also intend to continue selectively driving greenfield expansion. expansion, having opened nearly 20 new locations since 2017. We believe we can efficiently open new branches in attractive markets given our highly capable talent pool, our ability to capitalize on our scale advantages and learning curve advantages based on past successes in entering new geographies. We have identified over 170 approximately 165 MSAs where we believe we are underpenetrated and thus have opportunities to pursue greenfield expansion or offer more product lines and services, which we have estimated to be an approximately \$1.1 billion sales opportunity.

Opportunistically Pursue Strategic Acquisitions

We have a strong track record of acquiring and integrating businesses. We take a disciplined approach to sourcing, acquiring and integrating complementary businesses that help us expand into new geographic areas, acquire key talent or offer new products and services. In addition, we evaluate and pursue opportunistic acquisitions in industries adjacent to those we currently serve. We have a strong acquisition platform in place, which bolsters our ability to pursue attractive assets in the market. Our experienced mergers and acquisitions team actively develops a large pipeline of synergistic acquisition targets and coordinates with field leadership to identify, pursue and integrate new businesses. Through favorable purchasing capabilities, fixed cost leverage, facility optimization, access to products and working capital optimization, we have been able to generate significant margin improvement and synergistic value from businesses we acquire.

We believe we are widely viewed as the acquirer of choice in our industry due to our respected reputation, our entrepreneurial culture, and our commitment to the development and well-being of our people. Our integration approach is to partner with the management of the acquired company to tailor the transition of the employees into our systems and processes.

Execute on Margin Enhancement Initiatives

From the fiscal year ended January 31, 2021 ("fiscal 2020") to fiscal 2022, our gross margin improved by approximately 290 basis points in part due to several initiatives, including private label product expansion, category management optimization, data-driven pricing strategies and an expansion of value-added products and services. We have complemented these initiatives with accretive acquisitions, which has resulted in sustainable margin expansion.

Our private label initiative accelerated after our acquisition of Long Island Pipe Supply, Inc. ("LIP") in July 2019 and again after our acquisition of Trumbull Manufacturing, Inc. in October 2022, through which we gained access to a highly scalable assortment of private brands and products utilized throughout the water, wastewater and fire protection industries. We believe our global sourcing capabilities and strong international supplier relationships, as well as the potential for automated distribution and logistics, will continue to create competitive pricing advantages. We are expanding our direct sourcing and distribution capabilities in order to drive further margin expansion in the future.

The terms on which we purchase products from many of our suppliers entitle us to receive a rebate based on the amount of our purchases, a discount for timely payment or other favorable terms reflected in our historical results. Our category management team has identified numerous opportunities to continue shifting spend to suppliers with the best pricing and payment programs in order to optimize supplier incentives to expand gross margins.

Additionally, we have a specialized team dedicated to driving sustainable margin improvement through pricing analytics. An end-to-end review of our pricing strategies identified key margin enhancement opportunities, including continued optimization of system-wide pricing through IT enhancements, data-driven customer and product analysis that enable us to identify price opportunities and mitigate potential margin impacts from price changes. We believe these gross margin initiatives, in addition to our ability to leverage fixed costs, create a path to drive margin expansion over the long-term.

Increase Share with Strategic Accounts

Through our strategic accounts program, we partner with national contractors and large private water companies who typically pursue large-scale, complex projects that require greater technical expertise and specialized procurement needs. Sales through our strategic accounts program represented less than approximately 5% of our fiscal 2022 2023 net sales. We believe we are well-positioned to grow our share with these customers due to our dedicated sales team, which includes engineers and other experts who can provide significant valuable insights on large, complex projects, including cases in which our customers are asked to design and build new water systems or wastewater treatment plants. Our partnerships with these customers extend throughout the entire project lifecycle, from the pre-bidding design phase to post-project support. We believe our strategic partnerships and national supplier relationships will continue to generate cross-selling opportunities and future business, while driving adoption within our distribution model.

Utilize Scale and National Platform to Accelerate New Product Adoption

We utilize our vast geographic footprint, customer relationships, local industry knowledge and training capabilities to introduce and accelerate the adoption of new products and technology in our industry. Examples include the advancement of smart metering, and fusible high-density polyethylene ("fusible HDPE") and treatment plant solutions for municipal customers, fabrication and kitting assemblies for fire protection contractors, and geosynthetics and erosion control products for residential and non-residential developers.

We have identified a number of underpenetrated product categories in large and attractive markets where we can grow and enhance our market share. Geosynthetics and erosion control is representative of these opportunities as it is a complementary product offering to existing customers in a large and fragmented market with significant growth opportunity. We believe that we can expand our presence in these underpenetrated product categories without investing significant capital or incurring substantial costs as a result of our existing branch network, favorable supplier relationships and low working capital requirements.

Opportunistically Pursue Strategic Acquisitions

We have a track record of acquiring and integrating businesses. We take a disciplined approach to sourcing, acquiring and integrating complementary businesses that help us expand into new geographies, acquire key talent or offer new products and services. In addition, we evaluate and pursue opportunistic acquisitions in industries adjacent to those we currently serve. We have a strong acquisition platform in place, which bolsters our ability to pursue attractive assets in the market. Our experienced mergers and acquisitions team actively develops a large pipeline of synergistic acquisition targets and coordinates with field leadership to identify, pursue and integrate new businesses. We have been able to generate margin improvement and synergistic value from businesses we acquire through favorable purchasing capabilities, fixed cost leverage, facility optimization, access to new products and working capital optimization.

We believe we are widely viewed as the acquirer of choice in our industry due to our respected reputation, our entrepreneurial culture, and our commitment to the development and well-being of our people. Our integration approach is to partner with the management of the acquired company to tailor the transition of the employees into our systems and processes.

Execute on Margin Enhancement Initiatives

We have improved our gross margin in part due to several initiatives, including private label product expansion, sourcing optimization, data-driven pricing strategies and an expansion of value-added products and services. We have complemented these initiatives with accretive acquisitions, which has resulted in sustainable margin expansion.

Our private label initiative was established and has accelerated through a series of mergers and acquisitions through which we gained access to a highly scalable assortment of private brands and products utilized throughout the water, wastewater and fire protection industries. We believe our global sourcing capabilities and strong international supplier relationships, as well as the potential for automated distribution and logistics, will continue to create competitive pricing advantages. We are expanding our direct sourcing and distribution capabilities in order to drive further margin expansion in the future.

The terms on which we purchase products from many of our suppliers entitle us to receive a rebate based on the amount of our purchases, a discount for timely payment or other favorable terms reflected in our historical results. Our national category management team actively manages our spending with suppliers in order to optimize pricing and supplier incentives to expand gross margins.

Additionally, we have a specialized team dedicated to driving sustainable margin improvement through pricing analytics. An end-to-end review of our pricing strategies identified key margin enhancement opportunities, including continued optimization of system-wide pricing through information technology ("IT") enhancements and data-driven customer and

product analysis that enable us to identify price optimization opportunities and mitigate potential margin impacts from changes in product costs. We believe these gross margin initiatives, in addition to our ability to drive productivity and leverage our fixed costs, create a path to drive a sustainable margin over the long-term.

Invest in Attracting, Retaining and Developing World-Class Talent

We believe that our continued investment in the development and well-being of our people, together with our focus on our foundational core values of honesty and integrity, support our commitment to our associates and to customer service. Our award-winning training programs enable us to accelerate the development of our top talent to drive profitable growth while maintaining a supportive and mission-driven culture.

We intend to continue investing in our already strong talent base by attracting and developing associates. Our training and leadership curricula and expanded diversity and inclusion programs drive high associate engagement and a positive associate experience. In addition, we deliver attractive career growth opportunities to our associates while leveraging their knowledge and expertise.

Our Products & Services

Our comprehensive product portfolio consists of more than 200,000 SKUs from approximately 4,500 5,000 suppliers. Our offering consists of pipes, valves & fittings, storm drainage products, fire protection products and fabrication services, and smart metering products and technology. Our customers value our product breadth and geographic reach, as well as our technical product knowledge and consultation services. While pricing is important to our customers, availability, convenience, reliability and expertise are also important factors in their purchase decisions. In addition, our project management capabilities provides provide us with a competitive advantage over many competitors who offer a more limited selection of services.

Pipes, Valves & Fittings

Pipes, valves, hydrants and fittings are used in the distribution and flow control of water within water and wastewater transmission networks. Our pipe products, which typically range in diameter from 1/2" to 60", include materials such as PVC, ductile iron, fusible HDPE, steel and copper. Our valves are used to control the flow of water within water transmission networks and are often specified to meet the needs of each project. Our hydrants provide a point-of-access for fire fighters to quickly tap into pressurized water systems, and they which vary based on local municipal specifications and regulations. Our fittings and restraints, made from a variety of materials depending on local municipal specifications and regulations, are used to connect pipe sections, valves and other devices to each other. This category also includes other complementary products and services used for the service, repair and replacement of underground water infrastructure.

Pipes, valves & fittings products accounted for approximately 68% 67% of our net sales in fiscal 2022, 2023.

Storm Drainage

Our storm drainage products are used in the construction of stormwater management systems to retain, detain and divert stormwater runoff. Our storm drainage product offering includes corrugated HDPE and metal piping systems, retention basins, inline drains, manholes, grates, geosynthetics and erosion control products, and other related products. Our storm drainage product offering varies by market depending on local codes and engineering specifications.

Storm drainage products accounted for approximately 14% 15% of our net sales in fiscal 2022, 2023.

Fire Protection

Our fire protection products are installed in commercial, institutional, industrial, warehouse and multi-family buildings, and they are used to extinguish and prevent the spread of fires. A typical fire protection product offering includes pipe, sprinkler heads and devices, and other accessories. We also offer customized fabrication and kitting services, providing a comprehensive solution for all fire protection product needs. Our fire protection products meet strict quality standards, and our offering varies by market based on local municipal specifications, regulations and fire codes.

Fire protection products accounted for approximately 11% 10% of our net sales in fiscal 2022, 2023.

Meters

Our smart meters are used for water volume measurement and regulation and include automated meter reading and advanced metering infrastructure technologies. We offer multi-stage smart metering solutions to our customers, including meter accessories, meter installation, network infrastructure and software installation, training and long-term service contracts to deliver cost efficiencies to our customers. Our smart meters and advanced metering technology provide labor savings benefits for our municipal customers and help reduce water loss through leak detection.

Meter products accounted for approximately 7% 8% of our net sales in fiscal 2022, 2023.

Our Customers

We have a fragmented customer base that consists of approximately over 60,000 customers. Our top 50 customers represented approximately 12% of our net sales in fiscal 2022, 2023, with our largest customer accounting for less than 1% of net sales.

Our customers choose us for our breadth of products and services, extensive industry knowledge, familiarity with local municipal specifications, convenient branch locations and project management capabilities. We utilize our deep supply chain relationships to provide customers with a "one-stop-shop" experience and customized support in their efforts to maintain and construct water, wastewater, storm drainage and fire protection systems. Our scale and geographic footprint allows us to obtain preferred access to products for our customers, even during periods of material shortages. We have the ability to serve both smaller, local customers and larger, national customers with relevant expertise and the right inventory on hand. Our local sales associates take a consultative sales approach, using knowledge of the local regulatory requirements and municipal specifications to provide customer-specific product and service solutions. We are deeply involved in our customers' planning processes, and we have the ability to support our customers by converting engineered drawings and specifications into accurate and comprehensive material project plans. For specific smart metering, treatment plant, storm drainage, geosynthetics and erosion control, or fusible HDPE pipe solutions, our sales associates partner with a deep and dedicated dedicated team of nearly 240 over 350 national and regional product specialists to assist customers in project scoping and specialized product selection. Our technical knowledge knowledge and experience are complemented by our proprietary customer facing digital technology tools, which enable us to work closely and efficiently with our customers in material management, timely inventory purchasing, quoting and

coordinated jobsite delivery. We believe our customer facing technology tools build customer loyalty and drive repeat business, and also create a competitive advantage over smaller competitors who may not have the scale or resources to provide similar technology or services.

Our Suppliers

We have strong relationships with our suppliers due to our long history in the industry, substantial purchasing scale, national footprint and ability to reach a fragmented customer base. Our national footprint and reach to local communities are essential to our suppliers, as we have a highly developed understanding of the local markets, customer base and growth opportunities. We believe we are one of the largest volume customers for many of our suppliers, leading to favorable purchasing arrangements regarding product availability, payment terms and pricing. Our scale also enables us to secure distribution rights that are either exclusive or given to a limited number of distributors in key product categories, and to provide key products to customers that are unavailable to our competitors. Our size and **scale, national reach**, supplier relationships, and technical knowledge of products and local **municipal** specifications enable us to obtain preferred access to specialized products and preferred access to products during periods of material shortages, or when shorter-than-usual lead times are required for certain projects. This provides us with a competitive advantage versus smaller competitors, particularly for large and complex projects. Our largest single supplier represented **approximately 8%** of product expenditures in fiscal **2022, 2023**, and our top ten suppliers represented **47% approximately 45%** of total product expenditures during the same period. We strategically conduct business with our top suppliers in order to optimize our **scale purchasing** advantages, but we also have the flexibility to source the majority of our products from a number of alternate suppliers when necessary.

Our Competition

The U.S. **water, water**, wastewater, storm drainage and fire protection products distribution industry, and the end markets we serve, are highly fragmented. We face competition on a national level from only one other national distributor, but we are unique in our dedicated focus on water and fire protection infrastructure. The remainder of our market is served by hundreds of regional, local and specialty niche distributors, and through direct sales by **manufacturers suppliers** to end users. We estimate that our net sales accounted for approximately 17% of our **\$40 billion \$39 billion** addressable market in fiscal **2022, 2023**.

The principal competitive factors in our industry include the breadth, availability, access and pricing of products and services, technical knowledge and project planning capabilities, local expertise, as well as delivery capability and reliability. We believe that we are a leader in the local markets that we serve, and our national **scale reach** gives us meaningful competitive advantages compared to our smaller competitors.

Our Operating Structure

We strategically organize our branch network to meet the specific needs of our customers in each local market, and we support our branches with the resources of a large company, delivered through district and regional management, including company-wide sales, operations and back-office functions. We believe this allows each local branch manager to tailor his or her branch's strategy, marketing and product and service offerings to address the specific needs of customers in each **of their branch's** markets, while maintaining many of the benefits of our **company's Company's** scale. Our branch associates have the opportunity to earn competitive compensation through our performance-based compensation plans, which are based on local performance.

We support our network of approximately **320 335** branches with the following company-wide resources: strategic account management, product specialists, category management, sourcing, supply chain, finance, tax, accounting, payroll, marketing **& and** communications, human resources, legal, safety and information technology. Nearly all of our branches operate on an integrated technology platform, allowing us to utilize our combined capabilities for procurement, inventory management, financial support, data analytics and performance reporting.

Our branch operational structure is organized by region and then by district to optimize both the oversight and sharing of resources and products. Each region is led by a regional vice president who manages a **multistate multi-state** territory. This regional structure enables us to address the specific management, strategic and operational needs of each region.

Our Distribution Network

Our branch-based business model is the core of our operations and the primary component of our distribution network. Our branches are strategically located near our customers and vary in size depending on local demand and customer needs. Our branches **employ an average approximately 10 of 12** associates **and include including** branch management, sales representatives, warehouse staff and other support staff. In our larger branches, the staff may also include a sales manager, purchasing manager or estimator. Each branch **carries sells** approximately 4,500 SKUs on average, with many of them on hand as inventory and the rest available for delivery. Our branch managers have the autonomy to optimize their product and service offerings based on the local specifications, regulations and customer preferences within each local market.

Our branch network connects large suppliers with smaller volume customers whose consumption patterns tend to make them uneconomical to be served directly by our suppliers. Our branches receive products in both large and small quantities from our suppliers and stock products in warehouses and yards for purchase. Our specialized fleet of delivery equipment **allows us to deliver enables delivery of** materials to our customers' worksites in a timely and cost-efficient manner.

We also offer direct distribution options to our customers on a wide range of products. This value-added service includes logistics and sourcing for larger products and quantities between our suppliers and our customers, which we believe helps our customers with inventory management and delivery scheduling, particularly when working on large-scale projects with multiple phases and delivery schedules. Contractors work with our sales teams throughout all phases of the project life cycle, including estimating and material "take-off," product sourcing and bid preparation through delivery. Leveraging our vast supplier network, we are able to arrange convenient direct shipment to jobs, which can be aligned to each phase of the project.

Our Sales Force

As of **January 29, 2023 January 28, 2024**, we **had employed** approximately **1,700 sales 1,800 customer support** representatives, the majority of whom were inside sales representatives based at local branches. Inside sales representatives are responsible for project management, coordinating incoming orders, providing estimates and ordering material. Our **sales customer support** representatives also include approximately **550 575** field sales representatives who routinely visit existing customers, potential customers and jobsites. These field sales representatives remain attuned to activity in their local market, identifying and tracking active projects, and are responsible for generating sales and identifying new customers and projects. They also directly assist and educate customers, taking a consultative approach and helping with custom projects and product solutions

tailored to our customers' needs. While our field sales representatives are typically assigned to a local branch and report to a branch manager, they can service an entire district and report to a district manager based on a specific customer, product knowledge or project need, and the size of the branch, branch or district.

Our field sales representatives are highly experienced with in-depth product and technical knowledge, significant local insights and strong long-term customer relationships, all of which are critical to our success. On average, our field sales representatives have over 13 years of experience in the water, wastewater, storm drainage and fire protection industries. Our sales approach is highly consultative, as our representatives are often deeply involved in our customers' processes and assist in project scoping, product selection and materials management. Our sales force also includes a deep knowledgeable and dedicated team of over 240 350 technical product specialists at the national and regional levels who have expertise in specific product and service offerings, and who support our other sales representatives with product training and technical support.

Our Human Capital

We believe our associates are the key drivers of our success, and we success. We are focused on attracting, training, promoting and retaining industry-leading talent. Our authentic, purpose-driven culture enables our associates to thrive in our company and our industry. We have a strong track record of developing our associates for success and driving high employee engagement. Our ability to attract and retain talent is based on four foundational pillars: pay for performance, pay-for-performance philosophy, training and development, diversity and inclusion and benefits.

As of January 29, 2023 January 28, 2024, we employed approximately 4,500 5,000 associates, including approximately 250 in branch management positions, 1,300 in branch operations, 1,700 in sales positions, 600 in warehouse positions the majority of whom are assigned to local branches across the U.S. to support our customers and 650 in other positions supporting the company, their project needs. Approximately 105 of our associates were covered by collective bargaining agreements.

Pay for Performance

We believe that our strong culture, consistent investment in our people and competitive compensation programs result in low turnover rates help to retain talent across key roles. Sales associates have the opportunity to earn competitive compensation through our performance-based compensation structure, which aligns our interests with those of our associates. Our leadership incentive programs link compensation levels to the achievement of branch or region-specific goals based on profitability and return on investment, working capital efficiency goals. Our "local service, nationwide" philosophy incentivizes both our sales force and our operations team to be entrepreneurial, making decisions grounded in a customer-centric approach. Most other associates also participate in a profit sharing plan profit-sharing program that aligns their compensation to profitability and return on investment, working capital efficiency.

Training and Development

Our associates are the most essential resource to our company, Company. Their knowledge, expertise and growth are critical to our company's Company's success. We believe that our continued investment in the development and well-being of our people, and our focus on our foundational core values of honesty and integrity, support our commitment to hands-on customer service. At Core & Main, our Our associates develop by learning from the best of the best—on the job, in our national learning center, through in-house subject matter experts and with virtual and online academies.

Our learning team offers a wide range of award-winning training programs and courses such as sales, operations, product expertise, leadership management and safety, safety training programs and courses. We also provide customized training, talent reviews and early career rotational programs for college graduates to develop as future leaders. We utilize partner with our suppliers to enhance our knowledge base as new products and best practices are continually rolled out, introduced.

This talent-first approach enables us to develop and promote top talent to drive profitable growth while maintaining a supportive and mission-driven culture. Year after year, associates rate our learning opportunities as one of the most valuable aspects of working at Core & Main.

Diversity Inclusion and Inclusion Belonging

We believe our diversity inclusion and inclusion belonging efforts are critical important to the success of our talent strategy. A core element of our mission is to build strong relationships with one another and in the communities we serve. Some of our efforts are well established, such as our Women's Network, and are intended to develop women in our industry. More recently, we We have created developed an internal diversity inclusion and inclusion belonging advisory group, a which serves as an umbrella to our mental health council, philanthropic activity and an associate caring fund, a recently established Veteran's Network. Through our training programs, we are taking a proactive approach to grow and retain our own talent and develop more diverse leaders in our industry. We frequently check the pulse of our associates, in addition to our annual engagement survey to listen and act on feedback. This ongoing, two-way dialogue provides our associates with a voice in creating and improving our culture, and the overall associate experience. We believe being included and having a voice is vital for associate engagement and underscores our core principle: Team members are family.

Benefits

Our comprehensive benefits program reflects our overall belief that benefits should address the whole associate experience, including health and well-being. We offer associates a comprehensive benefits package, which includes access to a concierge service to help them navigate their benefits. These efforts are representative of our focus on promoting a consistent, positive experience for all associates.

Our Intellectual Property

We rely on trademarks, trade names and licenses to maintain and improve our competitive position. We believe that we have the trademarks, trade names and licenses necessary for the operation of our business as we currently conduct it. We rely on both trademark registration and common law protection for trademarks. Trademark rights may potentially extend indefinitely and are dependent upon national laws and our continued use of the trademarks.

Except for the Core & Main trademark and licenses of commercially available third-party software, we do not consider our trademarks, trade names or licenses to be material to the operation of our business taken as a whole. As we continue our growth strategy around to execute on our private label distribution capabilities, growth strategy, we anticipate the associated trademarks related to private label will continue to grow in value. We nevertheless face intellectual property-related risks and may be unable to obtain, maintain and enforce our intellectual property rights. Assertions by third parties that we violate their intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

Regulation

We are subject to various federal, state, and local laws and regulations, compliance with which increases our operating costs and subjects us to the possibility of regulatory actions or proceedings. Noncompliance with these laws and regulations can subject us to penalties, fines or various forms of civil, administrative, or criminal actions, any of which could have a material adverse effect on our financial condition, results of operations, cash flows or competitive position.

These federal, state, and local laws and regulations include laws relating to wage and hour requirements, permitting and licensing, state contractor laws, requirements, workers' safety, transportation, tax, SEC regulations, business with disadvantaged business enterprises, collective bargaining and other labor matters, environmental and associate benefits.

Our facilities and operations are subject to a broad range of federal, state and local environmental, health and safety laws, including those relating to the release of hazardous materials into the environment, the emission or discharge of pollutants or other substances into the air, water, or otherwise into the environment, the management, treatment, storage and disposal of hazardous materials and wastes, the investigation and remediation of contamination and the protection of the health and safety of our associates.

Our failure to comply with environmental, health and safety laws may result in fines, penalties and other sanctions as well as liability for response costs, property damages and personal injuries resulting from past or future releases of, or exposure to, hazardous materials. The cost of compliance with environmental, health and safety laws and capital expenditures required to meet regulatory requirements is not currently anticipated to have a material adverse effect on our financial condition, results of operations, cash flows or competitive position. New laws or changes in or new interpretations of existing laws, the discovery of previously unknown contamination or the imposition of other environmental, health or safety liabilities or obligations in the future may lead to additional compliance or other costs, which could have a material adverse effect on our financial condition, results of operations, cash flows or competitive position.

Organizational Structure

Core & Main was incorporated on April 9, 2021 for the purpose of facilitating the IPO and other related transactions in order to carry on the business of Holdings and its consolidated subsidiaries. Core & Main is a holding company, and its primary material asset is assets are its ownership interest in Holdings a portion of which is held indirectly through CD&R WW, LLC, and deferred tax assets associated with this ownership. Holdings has no operations and no material assets of its own other than its indirect ownership interest in Core & Main LP, the legal entity that conducts the operations of Core & Main. For more information regarding the IPO, the Reorganization Transactions (as defined below under Item 7. "Management's Discussion and Analysis of Financial Conditions and Results of Operations—Initial Public Offering and Secondary Offerings") and our holding company structure, see Note 1 to the consolidated financial statements included elsewhere in the this Annual Report on Form 10-K. Subsequent to the IPO, we completed a series of secondary public offerings of shares of Class A common stock on behalf of the CD&R Investors (as defined below under Item 1A. "Risk Factors"), as a result of which and certain repurchase transactions, the CD&R Investors no longer own shares of Core & Main. As of January 28, 2024, Core & Main held 95.4% ownership interest in Holdings with the remaining ownership interest held by Core & Main Management Feeder, LLC ("Management Feeder").

Available Information

Our principal executive offices are located at 1830 Craig Park Court, St. Louis, MO 63146, and our telephone number is (314) 432-4700. Our website is www.coreandmain.com. We use our website as a routine channel for distribution of information that may be material to investors, including news releases, financial information, presentations and corporate governance information. None of the information contained on, or that may be accessed through, our website or any other website identified herein is part of, or incorporated into, this Annual Report on Form 10-K, and you should not rely on any such information in connection with your decision to invest in our Class A common stock. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available on our website, free of charge, as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the U.S. Securities and Exchange Commission ("SEC"). Additionally, the SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including us, at www.sec.gov.

Item 1A. Risk Factors

Risks Related to Our Business

You should carefully consider the factors described below, in addition to the other information set forth in this Annual Report on Form 10-K. These risk factors are important to understanding the contents of this Annual Report on Form 10-K and of other reports. Should one or more of these risks be realized, it could result in a material impact to our operations, liquidity or financial position, results of operations and/or cash flows. Our reputation, business, financial position, results of operations and cash flows are subject to various risks. The risks and uncertainties described below are not the only ones relevant to us. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial may also adversely impact our reputation, financial position, results of operations and cash flows.

Risk Factors Summary

The following is a non-exhaustive summary of principal risks factors you should carefully consider that, if realized, could result in a material impact to our operations, liquidity or financial position, results of operations and/or cash flows. These risks are discussed in more detail in "Risk Factors." These risks include:

- declines, volatility and cyclicality in the U.S. residential and non-residential construction markets;
- slowdowns in municipal infrastructure spending and delays in appropriations of federal funds;
- our ability to competitively bid for municipal contracts;
- price fluctuations in our product costs;
- our ability to manage our inventory effectively, including during periods of supply chain disruptions;
- risks involved with acquisitions and other strategic transactions, including our ability to identify, acquire, close or integrate acquisition targets successfully;
- the fragmented and highly competitive markets in which we compete and consolidation within our industry;

- the development of alternatives to distributors of our products in the supply chain;
- our ability to hire, engage and retain key personnel, including sales representatives, qualified branch, district and regional managers and senior management;
- our ability to identify, develop and maintain relationships with a sufficient number of qualified suppliers and the potential that our exclusive or limited supplier distribution rights are terminated;
- the availability of freight;
- the ability of our customers to make payments on credit sales;
- changes in supplier rebates or other terms of our supplier agreements;
- our ability to identify and introduce new products and product lines effectively;
- the spread of, and response to, public health crises and the inability to predict the ultimate impact on us;
- costs and potential liabilities or obligations imposed by environmental, health and safety laws and requirements;
- regulatory change and the costs of compliance with regulation;
- changes in stakeholder expectations in respect of environmental, social and governance ("ESG") and sustainability practices;
- exposure to product liability, construction defect and warranty claims and other litigation and legal proceedings;
- potential harm to our reputation;
- difficulties with or interruptions of our fabrication services;
- safety and labor risks associated with the distribution of our products;
- interruptions in the proper functioning of the Company's and our third-party service providers' information systems, including from cybersecurity threats;
- impairment in the carrying value of goodwill, intangible assets or other long-lived assets;
- our ability to continue our customer relationships with short-term contracts;
- risks associated with importing and exporting our products internationally;
- our ability to maintain effective internal controls over financial reporting and remediate any material weaknesses;
- our indebtedness and the potential that we may incur additional indebtedness that might restrict our operating flexibility;
- the limitations and restrictions in the agreements governing our indebtedness, the Amended and Restated Limited Partnership Agreement of Holdings, as amended, and the Tax Receivable Agreements (each as defined herein);
- increases in interest rates;
- changes in our credit ratings and outlook;
- our ability to generate the significant amount of cash needed to service our indebtedness;
- our organizational structure, including our payment obligations under the Tax Receivable Agreements, which may be significant;
- our ability to sustain an active, liquid trading market for our Class A common stock; and
- risks related to other factors discussed under "Risk Factors" in this Annual Report on Form 10-K.

Risks Related to Our Business

We have been, and may continue to be, adversely impacted by declines and volatility in the U.S. residential and non-residential construction markets, which may result in reduced net sales.

Our business is largely dependent on activity in the U.S. residential and non-residential construction markets, which are volatile and subject to cyclical market pressures. The length and magnitude of these cycles have varied over time and by market. Approximately 22% 20% and 39% 38% of our net sales in fiscal 2022 2023 were directly related to the U.S. residential and non-residential end markets, respectively. The level of activity in the U.S. residential and non-residential construction markets is based on numerous factors such as availability of credit, interest rates, general economic conditions, consumer confidence and other factors that are beyond our control. For example, interest rate increases throughout calendar 2022 and into year 2023 are were a contributing factor to slowing new lot development and contraction in the residential end market. It is uncertain if the Federal Reserve Board of Governors will continue to raise or lower interest rates in the future and, if so, to what level and for how long. Continued interest rate increases or the lack of anticipated interest rate decreases may result in a downturn in suppress the U.S. residential and non-residential construction markets that could have a material adverse effect on our business or financial condition.

We cannot predict the duration of the residential or non-residential construction industry market conditions or the timing of the recovery of residential or non-residential construction activity back to the historical averages. Participants in the U.S. residential and non-residential construction industries may postpone spending in response to tighter credit, negative financial news or declines in income or asset values, which could have a material negative effect on the demand for our products. We also cannot provide any assurances that the operational strategies we have implemented to address current or future market conditions will be successful. Due to these factors and the potential volatility in the residential and non-residential construction markets, there may be fluctuations in our operating results, and the results for any historical period may not be indicative of results

for any future period. This uncertainty about current or future economic conditions and potential volatility in U.S. residential and non-residential construction markets may lead to reduced demand for our products, which could have a material adverse effect on our business or financial condition.

Our business and the market for our products and services generally are subject to slowdowns in municipal infrastructure spending which may result in reduced net sales.

The market for the distribution of our products and services is affected by national, regional and local slowdowns in the amount spent by municipalities on infrastructure. We supply many of our products to contractors in connection with municipal projects. Approximately 39% 42% of our net sales in fiscal 2022 2023 were related to the municipal market. Many of the factors that influence municipal infrastructure spending are not within our control.

Municipal infrastructure spending depends largely on availability and commitment of public funds for municipal spending, interest rates, water system capacity and general economic conditions. Economic downturns in any of our markets could reduce municipal tax revenues and the level of infrastructure spending and construction activity and thus our net sales.

In addition, municipal budget processes and conditions in the municipal bond market can impact municipal spending. If a municipality is experiencing budget difficulties, or if a municipality is unable to access capital through the municipal bond market or state revolving funds, it may allocate less funding to infrastructure projects, which could also adversely affect our net sales.

Fluctuations in federal funding can also negatively impact municipal spending. Reduced federal funding and corresponding reductions in federal fund appropriations can adversely affect many of our customers, who derive funding from federal, state and local bodies, which in turn can reduce the demand for our products and services. Conversely, increased federal funding can also adversely affect our business by slowing down state and local spending as a result of delays in appropriating such federal funding to our end customers. In November 2021, the IIJA, which includes \$55 billion to invest in water infrastructure across the U.S., was signed into law. When such a large amount of federal funding for infrastructure projects is allocated at once, funds may not be efficiently distributed to the markets in which we operate on a timely basis. Many of our customers, including those in our municipal end market, may also choose or be forced to delay the commencement of infrastructure projects until such funds are allocated, may choose or be forced to re-scope construction-ready infrastructure projects to qualify for federal funding or may not be able to timely pay for products or services provided, which could delay any benefits we expect to receive from the IIJA. In conjunction with the IIJA, the Build America Buy America Act ("BABA") was enacted, which requires that all iron, steel, manufactured products, and construction materials used in covered infrastructure projects are produced in the U.S. Should the products we distribute be deemed to not comply with BABA, we may not realize the potential benefits from the IIJA. Further, while our industries may benefit from increased federal funding, there is no certainty that we will receive benefits associated with such increase, as a disproportionate amount of funds could go to our competitors.

We may lose business to competitors through the competitive bidding process.

A portion of municipal infrastructure work is awarded through competitive bidding processes in which municipalities or contractors serving municipalities compare estimates from multiple distributors. In addition, certain contractors that serve residential and non-residential markets obtain estimates from multiple distributors. The procurement process for this work is based in part on price and the acceptance of certain risks, including risks related to fixed-price contracts and cost-overruns. We may lose business to lower-cost competitors from price-sensitive customers who do not value our sales reach, technical knowledge, broad product portfolio, customer service and project planning and delivery capabilities. In addition, increased competition from other market participants may cause us, or our contractor clients bidding for such contracts, to not be successful in obtaining or renewing these contracts. Our inability to replace a significant number of contracts lost through competitive bidding processes with other revenue sources within a reasonable time could have a material adverse effect on our business or financial condition.

We are subject to price fluctuations in our product costs.

The costs to procure the products we sell are historically volatile and subject to fluctuations arising from changes in supply and demand, national and international economic conditions, raw material costs, labor costs, competition, market speculation, government regulation and trade policies, supply chain constraints, as well as delivery delays or cost changes due to the availability of domestic or global logistics, and fuel cost volatility.

Our financial performance is impacted by price fluctuations in the cost to procure substantially all the products we sell and our ability to reflect these changes, in a timely manner, in our customer pricing. Increases in The prices of products we purchase and sell has increased over in the past twenty-four months fiscal year ended January 30, 2022 ("fiscal 2021") and the fiscal year ended January 29, 2023 ("fiscal 2022") due to several factors, including, but not limited to, constraints in the supply chain associated with labor, global logistics, general inflationary pressures and availability of raw materials, that are in part due to the impact of COVID-19 on the global economy, conflict in countries that export raw materials in our products and other weather events. These factors led to decreased availability of certain products that we purchase from our suppliers. Disruptions caused by natural disasters or similar extreme weather events may also affect our ability to both maintain key products in inventory and deliver products to our customers on a timely basis, which may in turn adversely affect the Company. For example, operations at certain plants and facilities located in Texas that produce resin, a raw material used in the production of the PVC pipe that we purchase from suppliers, were temporarily shut down as a result of the winter storms of 2021, which caused supply chain disruptions and PVC pipe shortages, which in turn drove product cost increases. Any material shortage of products in the market as a result of natural disasters or similar extreme weather events can negatively impact our net sales, and we may not be able to offset increased product costs via corresponding price increases. Additionally, the conflict in Ukraine resulted in increases in costs associated with products containing ductile iron and steel. A shortage of available manufacturing capacity, or excess capacity, in the industry can result in significant increases or declines in the supply of our products, which in turn results in fluctuations in the market prices for our products, sometimes within a short period of time. Although in some cases we have firm price quotes with our suppliers that fix the price at which we purchase products for a defined period of time, we have experienced termination of certain contracts through the enactment of force majeure contractual clauses.

We may experience price volatility associated with the implementation or rescission of tariffs or other restrictions placed on foreign imports by the U.S. or any related countermeasures are taken by impacted foreign countries. Tariff-related activities may also impact the level of demand associated with products subject to tariffs as our customers may seek alternative products. Most recently, the U.S. enacted tariffs on imported steel products from China that led domestic sellers to respond with market-based increases. It remains unclear what future actions may be taken by the U.S. or other governments with respect to international trade agreements, the imposition or removal of tariffs on goods imported into the U.S., the creation or removal of barriers to trade, tax policy related to international commerce, or other trade matters, and the impact of those actions of the cost of products we sell.

We have a limited ability to control the timing and amount of changes in the cost to procure our products. Although we seek to recover increases in our product costs by passing product cost increases on to our customers, we may not always be successful. In addition, in periods of declining costs for our products, we may face pricing pressure from our customers, requiring us to reduce the prices at which we sell our products to our customers in order to remain competitive in our markets. As we have experienced significant product cost increases over the past twenty-four months, in fiscal 2021 and fiscal 2022, there is increased risk in future periods that we may experience a higher level decreased rate of deflation, inflation, net sales declines or net sales growth at substantially lower rates than in recent periods following improvements in the availability of labor, transportation and products, those periods. Due to supply chain constraints, distributors may have increased inventory levels to ensure product availability. As the supply chain improves and product lead time becomes more predictable, distributors may reduce their inventory levels. This may increase competition by suppliers based on price and contribute to deflation. From fiscal 2021 to fiscal 2023, our gross margin improved by approximately 150 basis points in part due to several initiatives, including private label product expansion, sourcing optimization, data-driven pricing strategies and an expansion of value-added products and services. We estimate that approximately 100 to 150 basis points a portion of the fiscal 2022 gross margin increases we experienced in fiscal 2023, fiscal 2022 and fiscal 2021 could be temporary in nature and may not be sustainable once product supply dynamics return to normal, and market pricing stabilizes, stabilizes and benefits from low cost inventory purchases diminish. Our ability to adjust prices in a timely manner to account for such price fluctuations may often depend on market conditions, our fixed costs and other factors, and our failure to adapt our product prices and operational strategies could result in lower revenue, profitability and the write down of our inventories. Historically, we have not engaged in material hedging strategies for purchases of products. We generally sell our products on a spot basis and not under long-term contracts. Any increase in product costs that are not offset by an increase in our prices, or our inability to maintain price levels in an environment of declining product costs, could have a material adverse effect on our business or financial condition.

We are subject to inventory management risks. Insufficient inventory may result in lost sales opportunities or delayed revenue, while excess inventory may negatively impact our gross margin.

We balance the need to maintain inventory levels that are sufficient to ensure competitive lead times against the risk of inventory obsolescence due to changing customer or consumer requirements and fluctuating product costs. If we overestimate demand and purchase too much of a particular product, we face a risk that the price of that product will fall, leaving us with inventory that we cannot sell at historical profit margins or record a material charge if we are required to write-down inventory at net realizable value. Even after an inventory write-down we would likely not be able to sell the inventory at historical product margins. If we underestimate demand and purchase insufficient quantities of products, inventory shortages could result in delayed revenue, loss of sales opportunities, and/or reduced profit margins. Either of these scenarios could have a material adverse effect on our business or financial condition. These risks are elevated during periods of supply chain disruption as we may simultaneously be unable to obtain certain products in a timely manner and increase on-hand quantities of other products.

Acquisitions and other strategic transactions involve a number of inherent risks, any of which could result in the benefits anticipated not being realized.

Acquisitions are an important component of our growth strategy and we regularly consider and enter into strategic transactions, including mergers, acquisitions, investments and other growth, market and geographic expansion strategies, with the expectation that these transactions will result in increases in net sales, cost savings, synergies and various other benefits. However, there can be no assurance that we will be able to continue to grow our business through acquisitions or other strategic transactions as we have done historically or that any businesses acquired will perform in accordance with expectations or that business judgments concerning the value, strengths and weaknesses of businesses acquired will prove to be correct. Our ability to deliver the expected benefits from any strategic transactions that we complete is subject to numerous uncertainties and risks, including our ability to integrate personnel, labor models, financial, supply chain and logistics, IT and other systems successfully; disruption of our ongoing business and distraction of management and other critical personnel; hiring additional management and other critical personnel; and increasing the scope, geographic diversity and complexity of our operations. If an acquired business fails to operate as anticipated or cannot be successfully integrated with our existing business it could have a material adverse effect on our business or financial condition. We will continue to analyze and evaluate the acquisition of strategic businesses and other strategic transactions with the potential to strengthen our industry position or enhance our existing product offerings. Moreover, consolidation in our industry could make it more difficult for us to maintain operating margins and could also increase competition for our potential acquisition targets and result in higher purchase price multiples.

In addition, our expansion into new markets and product categories through acquisition may present competitive, management, distribution and regulatory challenges that differ from current ones. We may be less familiar with the target customers and may face different or additional risks, as well as increased or unexpected costs, compared to existing operations. Growth into new markets may also bring us into direct competition with companies with whom we have little or no past experience as competitors. To the extent we are reliant upon expansion into new geographic, industry and product markets for growth and do not meet the new challenges posed by such expansion our ability for future sales growth may be limited and/or we may incur higher operating costs.

In connection with any acquisition, we may acquire liabilities or defects such as legal claims, including those not identified during due diligence, such as third-party liability and other tort claims; claims for breach of contract; employment-related claims; environmental, health and safety liabilities, conditions or damage; permitting, regulatory or other compliance with law issues; liability for hazardous materials; or trade liabilities. If we acquire any of these liabilities, and they are not adequately covered by insurance or an enforceable indemnity or similar agreement from a creditworthy counterparty or are otherwise mitigated, we may be responsible for significant out-of-pocket expenditures. In connection with any divestitures, we may incur liabilities for breaches of representations and warranties or failure to comply with operating covenants under any agreement for a divestiture. In addition, we may indemnify a counterparty in a divestiture for certain liabilities of the subsidiary or operations subject to the divestiture transaction. These liabilities, if they materialize, could have a material adverse effect on our business or financial condition.

In addition, any future acquisition could be financed by additional indebtedness or raising equity, which could increase leverage or result in dilution to our existing stockholders, as applicable, and impact our ability to access capital in the future. See “—Risks Related to Our Indebtedness.”

Our industry and the markets in which we operate are fragmented and highly competitive, and increased competitive pressures, including the pressure to consolidate, could adversely affect our business.

The markets in which we operate are fragmented and highly competitive. Competition varies depending on product line, type of customer and geographic area. We have only one major national competitor, but we also face competition from regional and local competitors and a limited number of manufacturers who sell directly to large customers within our customer base. We estimate that our net sales accounted for approximately 17% of our \$40 billion \$39 billion addressable market in fiscal 2022, 2023. Any failure to compete with our national, regional or local competitors could have a material adverse adverse effect on our business or financial condition.

There has also been some consolidation of customers within our industry who are increasingly aware of the total costs of fulfillment and of the need to have consistent sources of supply at multiple locations. This consolidation could cause our industry to become more competitive as greater economies of scale are achieved by customers, or as competitors with new lower cost transactional business models are able to operate with lower prices. We believe these customer needs could result in fewer distributors as the remaining distributors become larger and more capable of being consistent sources of supply. If customers grow from consolidation, they may choose to vertically integrate the distribution of products we sell and purchase directly from our vendors. This level of direct procurement would bypass distributors, including us, and could have a material adverse impact to our sales and/or make it more difficult for us to maintain operating margins.

The development of alternatives to distributors of our products in the supply chain could cause a decrease in our net sales and operating results and limit our ability to grow our business.

Our customers could begin purchasing more of their product needs directly from our suppliers, which could result in decreases in our net sales and earnings. For example, multiple municipalities may outsource their entire waterworks systems to a single company, thereby increasing such company's leverage in the marketplace and its ability to buy directly from suppliers. Our suppliers could also invest in increasing their capacity to expand their own local sales force and sell more products directly to our customers, which could result in a decrease in our net sales. Suppliers can often sell their products at lower prices and maintain higher gross margins on their product sales than we can. We intend to compete for these larger municipal projects, but there can be no guarantee that our efforts will be successful or that we will be able to complete any such projects within the anticipated budget or timeline.

As we continue to expand our direct sourcing and distribution capabilities as part of the private label initiative, this could result in loss of preferred access to products and unfavorable adjustments to pricing and terms due to direct competition with suppliers.

We may be unable to hire, engage and retain key personnel, including sales representatives, qualified branch, district and regional managers and senior management.

We are dependent, in part, on our continued ability to hire, engage and retain key associates, including sales representatives, qualified branch, district and regional managers and senior management, at our operations across the U.S. We rely upon experienced managerial, sales and support personnel to effectively manage our business and to successfully promote our wide range of products. We are primarily organized locally in branches and districts to allow our operations to respond to changes in local markets. As a result, our branch and district managers have a great deal of control over local operations. We also rely upon our national and regional teams of technical experts to provide insights on complex projects. If we are unable to attract and retain qualified branch and district managers or technical experts, we could be unable to respond to changes in local markets or developments in our projects in a timely manner, or at all.

Additionally, our operations depend on the continued efforts of our senior management. Our senior management team has substantial experience and expertise in our industry and has made significant contributions to our growth and success. **There is a heightened risk of loss for certain senior management members that hold limited partner interests of Holdings ("Partnership Interests") through Management Feeder.** The loss of their services could limit our ability to grow our business and cause disruptions in our operations.

If we fail to identify, develop and maintain relationships with a sufficient number of qualified suppliers or our exclusive or restrictive limited supplier distribution rights are terminated, our ability to timely and efficiently access products that meet our standards for quality could be adversely affected or we may experience an increase in the costs of our products that could reduce our overall profitability.

We buy our products and supplies from suppliers that manufacture and source products from the **United States U.S.** and abroad. We enter into agreements with many of our suppliers that provide us with exclusive or **restrictive limited** distribution rights, limiting our competitors' ability to source materials from such suppliers. Our ability to identify and develop relationships with qualified suppliers and enter into exclusive or **restrictive limited** distribution rights agreements with suppliers who can satisfy our standards for quality and our need to access products and supplies in a timely and efficient manner is **a significant challenge, important to our success.** In fiscal **2022, 2023**, our top supplier accounted for approximately 8% of our product expenditures. Our top ten largest suppliers accounted for approximately **47%, 45%** of our total purchases in fiscal **2022, 2023**. We generally have multiple sources of supply, however, in some cases, materials are provided by a single supplier. Any failure to maintain our relationship with any of our top ten largest suppliers, the loss of a sole source supplier, or a failure to replace any such supplier that is lost, could have a material adverse effect on our business or financial condition.

We may be required to replace a supplier if their products do not meet our quality or safety standards. In addition, our suppliers could discontinue selling products at any time for reasons that may or may not be in our control or the suppliers' control, including shortages of raw materials, environmental and social supply chain issues, labor disputes or weather conditions. Disruptions in transportation lines, such as the March 2021 blockage of the Suez Canal and the adverse impact to the global shipping industry, may also cause global supply chain issues that affect us or our suppliers. Global economic conditions may also result in global supply chain issues that adversely impact our access to products and supplies.

Our operating results are sensitive to the availability of freight.

We are dependent on third-party freight carriers to transport some of our products. Our access to third-party freight carriers is not guaranteed, and we may be unable to transport our products at economically attractive rates in certain circumstances, particularly in cases of adverse market conditions or disruptions to transportation infrastructure. For example, the U.S. **is currently experiencing has experienced** a shortage of qualified professional commercial truck drivers, which has impacted our suppliers' ability to deliver products to us and our ability to deliver products on a timely basis. There can be no certainty that such shortage will be addressed in the near term and we may be unable to secure alternative means of freight transport. If the freight carrier capacity in our geographic markets were to decline significantly it could have a material adverse effect on our business or financial condition.

A significant amount of our net sales are credit sales, which are made primarily to customers whose ability to pay is dependent, in part, upon the economic strength of the industry and geographic areas in which they operate.

Approximately 98% of our net sales volume in fiscal **2022 2023** was facilitated through the extension of credit to our customers whose ability to pay is dependent, in part, upon the economic strength of the industry in the areas in which they operate. In some cases, our extension of credit is secured by mechanic liens or surety bonds backed by a surety company, but such security does not guarantee collection. If a customer is unable to pay off our mechanic lien or if such lien is not superior to other lienholders and creditors, we may not be able to recoup our extension of credit. The credit we extend to a customer depends on both the financial strength of the customer and the nature of the project in which

the customer is involved. Certain customers may not make payments to us until they receive payments from their own customers. Supply chain constraints may extend project completion dates and ultimately the time until we receive full payment from our customers. The inability of our customers to pay off their credit lines in a timely manner, or at all, could have a material adverse effect on our business or financial condition. Furthermore, our collections efforts with respect to non-paying or slow-paying customers could negatively impact our customer relations going forward. **In addition, if our collections process fails to collect money due from a customer, we may be forced to initiate litigation against such customer to compel payment. Any such litigation could be costly, and the outcome would be uncertain.**

Because we depend on the creditworthiness of certain of our customers, if the financial condition of our customers declines, our credit risk could increase. Significant contraction in our markets, coupled with tightened credit availability and financial institution credit underwriting standards, could adversely affect certain of our customers. If we experience delays and defaults in client payments and we pay our suppliers before receiving payment from our customers for the related products or services, we could experience a material adverse effect on our business or financial condition.

A change in supplier terms could adversely affect our income and margins.

The terms on which we purchase products from many of our suppliers entitle us to receive a rebate based on the amount of our purchases, a discount for timely payment or other favorable terms reflected in our historical results. These rebates effectively reduce the costs of our products, and we manage our business to maximize the benefit of these programs. Rebate arrangements are subject to renegotiation with our suppliers from time to time. Suppliers may adversely change the terms of or eliminate some or all of these programs. Although these changes would not affect the net recorded costs of products already purchased, they may materially lower our gross margins on products we sell or income we realize in future periods.

The rebate programs we negotiate with our vendors often require us to purchase minimum quantities or dollar amount of purchases to qualify for the rebate and result in higher rebates with increased quantities or dollars purchased. Even if our rebate programs are not adversely **effected affected** through negotiation, we may not earn rebates at level commensurate with historical periods and our gross margin percentage may be adversely impacted. Changes to our end markets that decrease demand for products or planned inventory reductions due to more reliable lead times for products may cause us to fall short of minimum quantities or dollar amounts required to earn a rebate or preclude us from reaching the highest rebates offered by our vendors. As many rebate programs are calculated as a percentage of dollars spent, deflation in product costs can adversely impact rebates earned relative to historical periods.

We may not be able to identify new products and new product lines and integrate them into our distribution network, which could adversely affect our ability to compete.

Our business depends in part on our ability to identify future products and product lines that complement existing products and product lines and that respond to our customers' needs, as well as our ability to identify and respond promptly to evolving trends in demographics, as well as customer wants, preferences and expectations. We may not be able to compete effectively unless our product selection keeps up with trends in the markets in which we compete, including the need for more localized assortments of our products to appeal to needs in each end-market, or trends in new products. As a result, we continually seek to offer products and solutions that allow us to stay at the forefront of the needs of the market for our products and services. The success of new products depends on a variety of factors, including timely and successful product development by our suppliers, market acceptance and demand, competitive response, our ability to manage risks associated with product life cycles, the effective management of inventory and purchase commitments and the availability and cost of raw materials for our suppliers. Some of the foregoing factors are beyond our control and we cannot fully predict the ultimate success of the introduction of new products. For example, water utilities have traditionally been slow adopters of new technology and may not adopt our new products as quickly as we expect. In introducing new products and solutions, any delays, unexpected costs, diversion of resources, loss of key associates, failure of the market to accept the new product or other setbacks could materially and adversely affect our business or financial condition.

A public health crisis could have a material adverse effect on our business or financial condition.

A public health crisis and associated government restrictions to prevent its spread could have an adverse impact on our business, results of operations and financial condition as well as the operations of some of our suppliers. A widespread public health crisis may decrease demand for our products due to public reaction to the health crisis or actions taken by governmental or other regulatory organizations to control or otherwise limit the effects of the public health crisis. This crisis may also limit labor availability that could adversely impact manufacturing and distribution throughout the supply chain and limit the availability of product by our suppliers. Depending on the ultimate scope and duration of the supply chain disruptions, we may experience increases in product costs which we may not be able to pass on to our customers, loss of sales due to lack of product availability or potential customer claims from the inability to provide products in accordance with contractual terms. In addition, if significant numbers of associates, key personnel and/or senior management become unavailable due to sickness, legal requirements or self-isolation, our operations could be disrupted and materially adversely affected. Measures taken in response to a public health crisis could adversely impact our ability to retain and attract associates, including key personnel.

The effects of a public health crisis were evident in the COVID-19 pandemic that we experienced in fiscal 2020, with continuing effects through fiscal 2021 and 2022. In fiscal 2020, we experienced decreased demand for our products and softening in our business, primarily during the second and third fiscal quarters. As our industry was considered to be an "essential service," customer demand returned to normal levels in late fiscal 2020 and throughout fiscal 2021. However, we then experienced increased pressure on our supply chain due to several factors, including, but not limited to, labor availability, global logistics and availability of raw materials, that were in part due to the impact of COVID-19 on the global economy that led to significant inflation in late fiscal 2021 and throughout fiscal 2022.

We are unable to predict the likelihood, timing, magnitude and duration of a public health crisis and the associated effects to our business; but a future occurrence could have a material adverse effect on our business or financial condition.

We could incur significant costs in complying with environmental, health and safety laws or permitting regimes or as a result of satisfying any liability or obligation imposed under such laws or permitting regimes.

Our facilities and operations are subject to a broad range of federal, state and local environmental, health and safety laws, including those relating to the release of hazardous materials into the environment, the management, treatment, storage and disposal of hazardous materials and wastes, the investigation and remediation of contamination and the protection of our associates. We have incurred, and expect to continue to incur, capital expenditures in addition to ordinary course costs to comply with applicable current and future environmental, health and safety laws. More stringent **or complicated** federal, state or local environmental rules or regulations could increase our operating costs and expenses. Our failure to comply with environmental, health and safety laws may result in fines, penalties, enforcement actions and other sanctions as well as liability for response costs, property damages and personal injuries resulting from releases of, or exposure to, hazardous materials. We could also be held liable for the costs to address contamination at any real

property we have ever owned or operated, or used as a storage or disposal site. In addition, changes in, or new interpretations of, existing laws, the discovery of previously unknown contamination, or the imposition of other environmental, health or safety liabilities or obligations in the future, including additional investigation or other obligations with respect to any potential health hazards of our products or business activities, may lead to additional compliance or other costs that could have a material adverse effect on our business or financial condition.

We cannot assure you that any costs relating to future capital and operating expenditures to maintain compliance with environmental, health and safety laws, as well as costs to address contamination or environmental claims, will not may exceed any current estimates and reserves or adversely affect our business. In addition, any unanticipated liabilities or obligations arising, for example, out of the discovery of previously unknown conditions or changes in law or enforcement policies, could materially and adversely affect our business or financial condition.

We are subject to regulation and regulatory change, and our costs of doing business could increase as a result of changes in federal, state or local regulations.

Our operations are principally affected by various statutes, regulations and laws in the U.S. states in which we operate. While we are not engaged in a heavily regulated industry, we are subject to various laws applicable to businesses generally, including laws affecting land usage, zoning, the environment, health and safety, transportation, labor and employment practices, competition, immigration and other matters. Additionally, building codes may affect the products our customers are allowed to use, and consequently, changes in building codes may affect the saleability of our products. In addition, changes to U.S. federal, state and local tax laws and regulations could have a material impact on us. See Item 1. "Business—Regulation." Regulation of this Annual Report on Form 10-K.

We deliver products to many of our customers through our own fleet of vehicles. The U.S. Department of Transportation (the "DOT") regulates our operations in domestic interstate commerce. We are subject to various requirements governing interstate operations prescribed by the DOT, including safety regulations and other rules, including, for example, the DOT Disadvantaged Business Enterprise ("DBE") Program, which imposes certain requirements to increase DBE participation in DOT-assisted projects and contracts. Vehicle dimensions and driver hours of service also remain subject to both federal and state regulation. More restrictive limitations on vehicle weight and size and trailer length and configuration could increase our costs. Furthermore, commercial driver's licensing requirements imposed by states or local governments could limit the availability of qualified drivers to transport our products, which could also increase our costs. If we are unable to pass these cost increases on to our customers, it would reduce our gross margins, increase our selling, general and administrative expenses and reduce our net income.

In addition, many of our municipal water products and infrastructure customers are regulated by federal and state government agencies, such as the U.S. Environmental Protection Agency and state public utility commissions. These agencies could change the way in which they interpret current regulations and may impose additional regulations. Further, there may also be new legislation or regulatory change in response to the perceived effects of climate change, which is expected to continue to be the subject of increasing regulatory attention and requirements. Changes in environmental and climate change laws or regulations, including laws relating to greenhouse gas emissions, could lead to new or additional investment in product designs that could increase our environmental compliance expenditures. These changes could have a material adverse effect on our customers and the profitability of the services they provide, which could reduce demand for our services or our products and could further subject us to additional costs and restrictions, including increased energy, compliance and product costs.

We cannot predict the nature and timing of future developments in law and regulations and whether we will be successful in meeting future demands of regulatory agencies in a manner which that will not materially adversely affect the Company.

Increasing scrutiny and changing stakeholder expectations and disclosures in respect of ESG and sustainability practices may adversely impact our business and our stock price and impose additional costs or expose us to new or additional risks.

Companies across all industries are facing increasing scrutiny from stakeholders related to their ESG and sustainability practices. Investor advocacy groups, proxy advisory firms, certain institutional investors and lenders, investment funds and other influential investors and rating agencies are also increasingly focused on ESG and sustainability practices and matters and on the implications and social cost of their investments and loans. loans while other market participants have evidenced opposition to certain companies' consideration of such practices and matters. Increased focus on ESG and sustainability matters could have a material adverse effect on our business or financial condition, and expose us to new or additional risks, including as described below.

We recognize that many of our shareholders, employees, suppliers, customers, regulators and other stakeholders expect us to continue to focus on long-term sustainable performance and while considering the broad positive impact we can have on the environment and in our communities. This includes addressing significant, relevant ESG factors, further working to prioritize sustainable energy practices and reducing our carbon footprint. We must also make strategic investments to ensure our sustainability goals and objectives are responsive to the broader market environment and directly tied to our overarching business priorities. We have incurred and expect to continue to incur costs and capital expenditures in doing so, and certain of such future costs and capital expenditures could be material. For example, on March 21, 2022, the SEC released proposed rule changes that would require new climate-related disclosure in SEC filings, including certain climate-related metrics and greenhouse gas emissions, information about climate-related targets and goals, transition plans, if any, and extensive attestation requirements. In addition to requiring filers to quantify and disclose direct emissions data, the new rules would also require disclosure of climate impact arising from the operations and uses by the filer's business partners and contractors and end-users of the filer's products and/or services. If adopted as proposed, the rule changes would cause us to incur additional compliance and reporting costs, certain of which could be material, including related to monitoring, collecting, analyzing and reporting new metrics and implementing systems and procuring additional internal and external personnel with the requisite skills and expertise to serve those functions and provide necessary attestation, as applicable. Such costs could have a material adverse effect on our business or financial condition. In addition to these proposed SEC rule changes, California passed a series of climate disclosure bills in October 2023 which may lead to other states proposing climate-related regulations that require additional climate-related disclosures.

Further, if we do not adapt to or comply with investor or other stakeholder expectations and standards, which are evolving, or if we are perceived not to have responded appropriately or quickly enough to growing concern for ESG and sustainability issues, our business could suffer, including from reputational damage. Additionally, activist shareholders may submit proposals to promote or oppose an ESG-related position. Responding to such proposals, proxy contests and other actions by activist shareholders can be costly and time-consuming, disrupting our operations, causing reputational harm, and diverting the attention of our board of directors and senior management from the pursuit of business strategies. Further, a multitude of organizations that provide information to investors have developed ratings processes for evaluating companies on their approach to ESG and sustainability matters. Such ratings and reports are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings, or perceptions of us or our industry as a result of such ratings or our ESG and sustainability practices, may lead to increased negative investor and other stakeholder sentiment toward us or our customers, and to the allocation of investment capital to other industries and companies, which could negatively affect our stock price and access to and costs of capital.

The occurrence of any of the foregoing could have a material adverse effect on our business or financial condition.

The nature of our business exposes us to product liability, construction defect and warranty claims and other litigation and legal proceedings.

From time to time, we are involved in litigation and other legal proceedings and claims (including government inquiries, investigations and proceedings) in the ordinary course of business related to a range of matters, including, without limitation, environmental, contract, employment claims, product liability, construction defect and warranty claims.

We rely on manufacturers and other suppliers to provide us with most of the products we sell and distribute. However, as a distributor, we face an inherent risk of exposure to product liability and other claims in the event that the use of the products we have distributed in the past or may in the future distribute is alleged to have resulted in economic loss, personal injury or property damage or violated environmental, health or safety or other laws. In addition, we fabricate and install certain products, either internally or through third parties, which may increase our exposure to product liability claims. We cannot predict **with certainty** whether or how we may become liable under environmental and product liability statutes, rules, regulations and case law. In particular, we have been and continue to be subject to claims related to asbestos containing products, including for claims relating to products sold by businesses prior to **such businesses** being acquired by us. Asbestos-related claims have not historically had a material impact on our financial position or results of operations, but there can be no guarantee that any such claims will not have a material impact on us in the future. Although we currently maintain product/general liability insurance, there can be no assurance that we will be able to maintain such insurance on acceptable terms in the future, if at all, or that any such insurance will provide adequate protection against potential liabilities. Additionally, we do not carry insurance for all categories of risk that our business may encounter (including asbestos claims for which insurance is not attainable). Any significant liability that is uninsured or not fully insured may require us to pay substantial amounts. See additional discussion in Item 1. "Business—Legal Proceedings." **Proceedings" of this Annual Report on Form 10-K.**

We also may, from time to time, be involved in government inquiries, investigations and proceedings. We cannot predict **with certainty** the outcomes of these inquiries, investigations and proceedings. The outcome of some of these events and other contingencies could require us to take, or refrain from taking, actions that could materially and adversely affect our business or financial condition, such as requiring us to pay substantial amounts of money. Additionally, defending against these lawsuits and proceedings may involve significant expense and diversion of management's attention and resources from other matters.

Further, while we may seek indemnification against potential liability for product liability claims from relevant parties, including, but not limited to, manufacturers and suppliers, we cannot guarantee that we will be able to recover under such indemnification claims. Product liability claims can be expensive to defend and can divert the attention of management and other personnel for significant time periods, regardless of the ultimate outcome. An unsuccessful product liability defense could be highly costly and accordingly result in a decline in net sales and/or profitability. In addition, even if we are successful in defending any claim relating to the products we distribute, claims of this nature could negatively impact customer confidence in our products and us.

Failure to achieve and maintain a high level of product quality as a result of our suppliers' or manufacturers' mistakes or inefficiencies could damage our reputation and negatively impact our revenue and results of operations.

To continue to be successful, we must continue to preserve, grow and capitalize on the value of our brand in the marketplace. Reputational value is based in large part on perceptions of subjective qualities. Even an isolated incident, such as a high-profile product recall, or the aggregate effect of individually insignificant incidents, can erode trust and confidence, particularly if such incident or incidents result in adverse publicity, governmental investigations or litigation, and as a result, could tarnish our brand and lead to a material adverse effect on our business or financial condition.

In particular, product quality issues as a result of our suppliers' or manufacturers' acts or omissions could negatively impact customer confidence in our brands and our products. As we do not have direct control over the quality of the products manufactured or supplied by such third-party suppliers, we are exposed to risks relating to the quality of the products we distribute. If our product offerings do not meet applicable safety standards or customers' expectations regarding safety or quality, or are alleged to have quality issues or to have caused personal injury or other damage, we could experience lower revenue and increased costs and be exposed to legal, financial and reputational risks, as well as governmental enforcement actions. In addition, actual, potential or perceived product safety concerns could result in costly product recalls.

We seek to enter into contracts with suppliers which provide for indemnification from any costs associated with the provision of defective products. However, there can be no assurance that such contractual rights will be obtained or adequate, or that related indemnification claims will be successfully asserted by us.

Any difficulties with, or interruptions of, our fabrication services could delay our output of products and harm our relationships with our customers.

Any difficulties with, or interruptions of, our fabrication service operations could delay our output of products and harm our relationships with our customers. Although the majority of our overall product offerings relate to distribution for which we engage in no significant manufacturing, we do perform light fabrication services for certain product categories, including fire protection, storm drainage, **geosynthetics and erosion control, meter sets** and fusible **HDPE** piping products, which collectively accounted for less than 5% of our net sales in fiscal **2022 2023** and which we believe are products with significant opportunities for growth. **Any difficulties with, or interruptions of, our fabrication service operations could delay our output of products and harm our relationships with our customers.** If our fabrication processes fail, we may fail to perform on our contracts with our customers unless we are able to obtain comparable products or services in a timely and cost-effective manner. Further, the performance of fabrication services on the products we sell may increase our exposure to product defect liabilities for which we have no recovery of losses through vendor indemnification. If we are unable to fabricate certain products, find suitable replacements for them or experience product defect liabilities it could have a material adverse effect on our business or financial condition.

We are subject to certain safety and labor risks associated with the distribution and fabrication of our products.

As of **January 29, 2023 January 28, 2024**, we employed approximately **4,500 5,000** associates in total, a significant percentage of whom work at our branch locations. Our business involves transporting industrial water, wastewater, storm drainage and fire protection products and operating heavy machinery such as forklifts and tractor trailers, and there is a risk that an accident or death could occur in one of our facilities. We operate a large fleet of trucks and other vehicles and therefore face the risk of traffic accidents. The outcome of any personal injury, wrongful death or other litigation is difficult to assess or quantify and the cost to defend litigation can be significant. Although we currently maintain insurance, including, but not limited to, workers' compensation, automobile and general liability, there can be no assurance that we will be able to maintain such insurance on acceptable terms in the future, if at all, or that any such insurance will provide adequate protection against potential liabilities. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith or negative effects on associate morale, could have a material adverse effect on our business or financial condition.

We provide medical coverage to some of our associates through a self-insured preferred provider organization. Though we believe that we have adequate insurance coverage in excess of self-insured retention levels, our business or financial condition may be adversely affected if the number and severity of insurance claims increases.

An impairment of goodwill, intangible assets or other long-lived assets could have a material adverse effect on our financial position or results of operations.

Acquisitions frequently result in the recording of goodwill and other intangible or long-lived assets. As of January 29, 2023, goodwill and amortizing intangible assets, net of accumulated amortization, represented 31% and 16%, respectively, of our total assets. Goodwill is not amortized and is subject to impairment testing at least annually using a fair value-based approach. Future events, such as declines in our cash flow projections or customer demand, may cause impairments of our goodwill or long-lived assets, including intangible assets, based on factors such as the price of our common stock, projected cash flows, assumptions used, control premiums or other variables. In addition, if we divest long-lived assets at prices below their asset value, we must write them down to fair value resulting in long-lived asset impairment charges, which could adversely affect our financial position or results of operations. We cannot accurately predict the amount and timing of any impairment of assets, and, in the future, we may be required to take additional goodwill or other asset impairment charges. Any such non-cash charges could have a material adverse effect on our business or financial condition.

Interruptions in the proper functioning of our the Company's and our third-party service providers' information technology ("IT") IT systems or compromise of our or our customers' confidential data, including from cybersecurity threats, could disrupt operations and cause unanticipated reputational harm, litigation and regulatory risk, as well as increases in costs or decreases in net sales, or both.

Because we use our information systems, including Smart Distributor, PowerScope, PowerScope®, Online Advantage, Advantage®, Mobile Advantage Advantage® and other platforms to, among other things, manage inventories and accounts receivable, make purchasing decisions, prepare project bids, assist our customers and improve our customers' experience and monitor our results of operations, the proper functioning of our IT systems is critical to the successful operation of our business. Our IT systems, confidential data, as well as our remote processing capabilities and physical and software safeguards or those of our suppliers and customers, may be vulnerable to natural disasters, power losses, cyber attacks, cyber-attacks, theft, or unauthorized access (including through any intentional or malicious attacks, whether by a virus, malware or an outsider seeking to compromise our IT systems, or by a rogue associate), telecommunication failures and other problems. If critical IT systems fail, or are otherwise unavailable, our ability to process orders, track credit risk, identify business opportunities, maintain proper levels of inventories, collect accounts receivable and pay expenses and otherwise manage our business would be materially and adversely affected.

Information security and cyber risks have generally increased in recent years because of the proliferation of new technologies and the increased sophistication and activities of perpetrators of cyber-attacks. The cybersecurity landscape continues to evolve and presents novel risks and we may become increasingly vulnerable to such risks if we fail to assess and identify cybersecurity risks associated with our operations. A failure in or breach of our operational or information security systems, or those of our third-party service providers (or their downstream service providers), as a result of cyber-attacks or information security breaches has in the past, and could in the future, disrupt our business. For example, during fiscal 2020 a third-party payment processor with which we work experienced a ransomware attack. In December 2023, SEC rules went into effect that prevented them from processing check-based payments for us for a period require the Company to disclose material cybersecurity incidents on Form 8-K generally within four days of several weeks, the incident being determined material. In addition, a cyber-attack or information security breach could result in the disclosure or misuse of confidential or proprietary information, result in legal liability and regulatory action, damage our business relationships and reputation, result in or increase our litigation, remediation, forensic or other costs or cause losses. We may also incur significant administrative and technology costs in implementing and maintaining data security measures to prevent or limit the impact of such incidents. Damage to us or to our suppliers or customers resulting from such incidents could subject us to liability under U.S. state and federal and foreign laws that require us to implement certain data security protocols and to protect confidential personal data, which could result in increased costs, loss of revenues, settlement costs and/or substantial penalties that may either not be insured or not be fully covered through insurance. Cybersecurity and the continued development and enhancement of the controls and processes designed to protect our systems, computers, software, data and networks from attack, damage or unauthorized access are and will continue to be a priority for us. As cyber threats continue to evolve, we continually assess cyber risks, enhance our information security procedures and other safeguards, and implement updates to our IT systems. See Item 1C, "Cybersecurity" of this Annual Report on Form 10-K for a discussion of how we manage our cybersecurity risk. There can be no guarantee that a cyber cybersecurity incident will not occur and that our business or financial condition will not be materially and adversely affected by such an incident.

An impairment of goodwill, intangible assets or other long-lived assets could have a material adverse effect on our financial position or results of operations.

Our acquisitions frequently result in the recording of goodwill and other intangible or long-lived assets. As of January 28, 2024, goodwill and amortizing intangible assets, net of accumulated amortization, represented 31% and 15%, respectively, of our total assets. Goodwill is not amortized and is subject to impairment testing at least annually using a fair value-based approach. Future events, such as declines in our cash flow projections or customer demand, may cause impairments of our goodwill or long-lived assets, including intangible assets, based on factors such as the price of our common stock, projected cash flows, assumptions used, control premiums or other variables. In addition, if we divest long-lived assets at prices below their asset value, we must write them down to fair value resulting in long-lived asset impairment charges, which could adversely affect our financial position or results of operations. We cannot accurately predict the amount and timing of any impairment of assets, and, in the future, we may be required to take additional goodwill or other asset impairment charges. Any such non-cash charges could have a material adverse effect on our business or financial condition.

Our customer relationships are generally governed by purchase orders and job-specific customer agreements, as applicable, and not by long-term agreements, and, as a result, such customers have the right to change the terms under which they do business and/or terminate their relationship with us.

Our customer relationships are governed by purchase orders and job-specific customer agreements, as applicable, and not by long-term agreements. Consequently, despite the length of our relationships with our customers and our low historical customer turnover rates, there can be no assurance that our customer base will remain stable in the future. If our customers do not renew orders, our business or financial condition could be negatively affected.

While a portion of our net sales are made to customers with whom we have contractual relationships, many of these contracts are requirements contracts under which we supply a percentage of a customer's requirements over a period of time, without any specific commitment by the customer to purchase a particular unit volume. As such, we are not guaranteed any minimum level of net sales under many of our contracts, and many of our customers, including some of our largest customers, are under no obligation to continue to purchase products from us.

Moreover, if a customer's requirements for our products exceed our ability to supply that customer, as has occurred from time to time, we may have a short-term or long-term inability to supply that customer from our own branches and may be required to take other proactive steps in order to fill that customer's order, which may be at a higher cost to us. Our inability to supply a customer's specific requirements from our branches could materially and adversely affect our relationship with that customer or increase our operating costs.

Most of our net sales are made to customers that do not have contracts in place and are not contractually obligated to purchase products from us. Our repeat business with respect to these customers largely depends on these customers' satisfaction with our products and our customer service. At any time these customers can stop purchasing our products from us and cease doing business with us. We cannot be sure that any particular customer will continue to do business with us for any period of time.

We are subject to risks associated with operating internationally.

We export and import certain of our products to different jurisdictions outside the U.S., and the The shipment of goods across international borders is subject to extensive trade laws and regulations. The laws and regulations concerning export import-export activity, recordkeeping and reporting, export import-export control, interactions with government officials and economic sanctions are complex and constantly changing, and we cannot provide assurance that we will not incur material costs or liabilities in connection with these or other regulatory requirements.

In addition, we are subject to the U.S. Foreign Corrupt Practices Act ("FCPA") and other laws that prohibit improper payments or offers of payments to foreign governments and their officials and political parties by business entities for the purpose of obtaining or retaining business. Our activities in any country in which we deal with governmental clients create the risk of unauthorized payments or offers of payments by one of our associates or contractors that could be in violation of various laws including the FCPA and other anti-corruption laws, even though these parties are not always subject to our control. If we were to fail to comply with the FCPA, other anti-corruption laws, applicable import-export control regulations, data privacy laws or other applicable rules and regulations, we could be subject to substantial civil and criminal penalties and the possible loss of export or import privileges, which could have a material adverse effect on our business or financial condition.

Any deficiencies in our financial reporting or internal controls could adversely affect our business and the trading price of our Class A common stock.

As a public company, we are required to maintain internal control over financial reporting and to report any material weaknesses in such internal controls. Section 404 of the Sarbanes-Oxley Act of 2002 requires that we evaluate and determine the effectiveness of our internal control over financial reporting. Beginning with this annual report we We are required to provide a management report on internal control over financial reporting. In addition, we are required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. Our internal resources and personnel may in the future be insufficient to avoid accounting errors, and we and our auditors may identify deficiencies, significant deficiencies or material weaknesses in our internal control environment in the future.

Any failure to develop or maintain effective controls or any difficulties encountered implementing required new or improved controls could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting could also adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our Class A common stock.

If we have a material weakness in our internal control over financial reporting, we may not detect errors on a timely basis and our financial statements may be materially misstated or could result in a restatement of our financial statements for prior periods. In addition, our internal control over financial reporting will not prevent or detect all errors and fraud. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected. Moreover, because we regularly consider and enter into strategic mergers and acquisitions, the integration of businesses may create complexity in our financial systems and internal controls and make them more difficult to manage. Such integration into our internal control system could cause us to fail to meet our financial reporting obligations.

If there are material weaknesses or failures in our ability to meet any of the requirements related to the maintenance and reporting of our internal controls, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports, which in turn could cause the price of our Class A common stock to decline. Moreover, effective internal controls are necessary to produce reliable financial reports and to prevent fraud. If we have deficiencies in our internal controls, it may negatively impact our business or financial condition and reputation. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the NYSE New York Stock Exchange ("NYSE") or could become subject to investigations by the NYSE, the SEC or other regulatory authorities, which could require additional management attention and which could adversely affect our business.

The impact of volatility and disruptions in the global credit and financial markets could have a material adverse effect on our business or financial condition.

Failures of financial institutions and any related liquidity crisis may impact depositors' access to their cash deposits at financial institutions and create disruption in capital and credit markets. For example, recent the events in March 2023 surrounding Silicon Valley Bank, First Republic Bank and Signature Bank created temporary uncertainty on their customers' cash deposits in excess of Federal Deposit Insurance Corporation ("FDIC") limits prior to actions taken by governmental entities. We have no direct exposure to Silicon Valley Bank, First Republic Bank or Signature Bank. We maintain our cash deposits according to a banking policy that requires diversification across a variety of highly rated financial institutions. Our Senior ABL Credit Facility (as defined in Note 6 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K) is also diversified across various financial institutions, with no individual bank making up more than 10 percent of our available credit line, institutions. However, there is no guarantee that other financial institutions won't experience similar liquidity issues or that actions taken by governmental entities to mitigate these risks will be sufficient to ensure access to our cash deposits and sources of liquidity. As a result, a failure of one or more financial institutions with which we do business could have a material adverse effect on our business or financial condition.

A liquidity crisis may also result in additional disruption that is not immediately evident but which results in, for example, negative impact on the ability of our customers to pay amounts owed to us in a timely basis or at all, reductions in the liquidity of our vendors that impact product availability, and changes in interest rates and availability of credit that impact the nature and timing of customer projects. As such, a liquidity crisis could also have an indirect material adverse effect on our business or financial condition.

Risks Related to Our Indebtedness

Our indebtedness may adversely affect our financial health and our ability to raise additional capital or obtain financing in the future.

As of January 29, 2023 January 28, 2024, we had total consolidated indebtedness of \$1.478 \$1.893 million and \$198 \$218 million in outstanding lease commitments. In addition, as of January 29, 2023 January 28, 2024, after giving effect to \$12 \$16 million of letters of credit issued under the Senior ABL Credit Facility, Core & Main LP would have been able

to borrow \$1,238 \$804 million under the Senior ABL Credit Facility, subject to borrowing base availability. On February 9, 2024, Core & Main LP entered into a \$750 million incremental seven-year term loan maturing on February 9, 2031 (the "2031 Senior Term Loan").

Our indebtedness could have important consequences to you, our shareholders. Because of our indebtedness:

- our ability to obtain additional financing for working capital, make capital expenditures, complete acquisitions, meet debt service requirements, make Tax Receivable Agreements payments, pay dividends and make other distributions or to purchase, redeem or retire capital stock or for general corporate purposes and our ability to satisfy our obligations with respect to our indebtedness may be impaired in the future;
- a portion of our cash flow from operations must be dedicated to the payment of principal and interest on our indebtedness, thereby reducing the funds available to us for other purposes;
- we are exposed to the risk of increased interest rates because a significant portion of our borrowings are at variable rates of interest;
- it may be more difficult for us to satisfy our obligations to our creditors, resulting in possible defaults on, and acceleration of, such indebtedness;
- we may be more vulnerable to general adverse economic and industry conditions;
- we may be at a competitive disadvantage compared to our competitors with proportionately less indebtedness or with comparable indebtedness on more favorable terms and, as a result, they may be better positioned to withstand economic downturns;
- our ability to refinance indebtedness may be limited or the associated costs may increase;
- our flexibility to adjust to changing market conditions and ability to withstand competitive pressures could be limited;
- our ability to pay dividends and make other distributions or to purchase, redeem or retire capital stock may be limited; and
- we may be prevented from carrying out capital spending and restructurings that are necessary or important to our growth strategy and efforts to improve our operating margins.

Despite our indebtedness levels, we and our subsidiaries may be able to incur substantially more indebtedness, which may increase the risks to our financial condition and results of operations created by our indebtedness.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future. The terms of the agreements governing our indebtedness provide our subsidiaries with the flexibility to incur a substantial amount of secured and unsecured indebtedness in the future, which indebtedness may be secured or unsecured. If our subsidiaries are in compliance with certain incurrence ratios set forth in the agreements governing our indebtedness, our subsidiaries may be able to incur substantial additional indebtedness, which may increase the risks created by our current indebtedness, these agreements. In addition, after giving effect to \$12 \$16 million of letters of credit issued under the Senior ABL Credit Facility, as of January 29, 2023 January 28, 2024, Core & Main LP would have been able to borrow an additional \$1,238 \$804 million under the Senior ABL Credit Facility, subject to borrowing base availability. On February 9, 2024, we incurred an additional \$750 million of indebtedness in conjunction with the 2031 Senior Term Loan. See Note 6 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

The agreements governing our indebtedness restrict our current and future operations and our ability, and the ability of our future subsidiaries, to engage in certain business and financial transactions, and, as a result, may adversely affect our business or financial condition.

The agreements governing our indebtedness contain a number of covenants that may limit Core & Main LP's ability and the ability of any of its future restricted subsidiaries to:

- incur additional indebtedness or issue certain preferred shares;
- pay dividends, redeem stock or make other distributions in respect of capital stock;
- repurchase, prepay or redeem subordinated indebtedness;
- make investments;
- create restrictions on the ability of Core & Main LP's restricted subsidiaries to pay dividends to Core & Main LP or make other intercompany transfers;
- incur additional liens;
- transfer or sell assets;
- make negative pledges;
- consolidate, merge, sell or otherwise dispose of all or substantially all of Core & Main LP's assets;
- change the nature of Core & Main LP's business;
- enter into certain transactions with Core & Main LP's affiliates; and
- designate subsidiaries as unrestricted subsidiaries.

In addition, the Senior ABL Credit Facility (as defined in Note 6 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K) requires Core & Main LP to comply with a consolidated fixed charge coverage ratio under certain circumstances and contains other covenants customary for asset-based facilities of this nature. Core & Main LP's ability to borrow additional amounts under the Senior ABL Credit Facility depends upon satisfaction of these covenants. Events beyond our control can affect our ability to meet these covenants.

Core & Main LP is required to make mandatory prepayments under (a) the Senior ABL Credit Facility, if aggregate outstanding borrowings exceed the then applicable borrowing base or the then effective commitments under the Senior ABL Credit Facility, and (b) the 2028 Senior Term Loan Facility (as defined in Note 6 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K), from excess cash flow, asset sale proceeds, insurance recovery proceeds and proceeds from certain debt

incurrences, in each case subject to certain limitations and conditions set forth in the agreements governing such facilities. In addition, any future financing arrangements entered into by us may contain similar restrictions. As a result of these covenants and restrictions, we are limited in how we conduct our business, and we may be unable to raise additional debt or equity financing to compete effectively or to take advantage of new business opportunities.

Our failure to comply with our obligations under the agreements governing our indebtedness as described above, as well as others contained in any future debt instruments from time to time, may result in an event of default under the agreements governing our indebtedness. A default, if not cured or waived, may permit acceleration of our indebtedness. If our indebtedness is accelerated, we cannot be certain that we will have sufficient funds available to pay the accelerated indebtedness or that we will have the ability to refinance the accelerated indebtedness on terms favorable to us or at all. Being forced to refinance these borrowings on less favorable terms or not being able to refinance these borrowings could have a material adverse effect on our business or financial condition.

The Amended and Restated Limited Partnership Agreement of Holdings and the Tax Receivable Agreements limit our ability to incur additional indebtedness or refinance our existing indebtedness on favorable terms.

The Second Amended and Restated Agreement of Limited Partnership of Holdings (as amended, the "Amended and Restated Limited Partnership Agreement of Holdings") restricts may restrict our ability to incur additional indebtedness or refinance our existing indebtedness in a manner that would materially and adversely affect Holdings' ability to make tax distributions to holders of limited partner interests of Holdings ("Partnership Interests") Interests or distributions to us to fund payments under the Tax Receivable Agreements (as defined below under "Risks Related to our Organizational Structure"). We may be unable to secure additional financing or refinance our existing indebtedness on favorable terms as a result of such restriction.

In addition, each of the Tax Receivable Agreements requires that any debt document that refinances or replaces our existing indebtedness be no more restrictive on our ability to make payments under each Tax Receivable Agreement than our current indebtedness, unless CD&R Waterworks Holdings, L.P., a Delaware limited partnership, and the Former Limited Partners (as defined below) in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K (collectively, the "CD&R Investors") otherwise consent. At the time of any such refinancing or replacing our existing indebtedness, it may not be possible to include such terms in such debt documents, and a result, we may need the CD&R Investors' consent to complete such refinancing of our existing indebtedness.

An increase in interest rates would increase the cost of servicing our indebtedness and could reduce our profitability, increase cash outflows, decrease our liquidity or impact our solvency.

Our indebtedness under the Senior ABL Credit Facility, and under the 2028 Senior Term Loan Facility and the 2031 Senior Term Loan bears interest at variable rates. As a result, increases in interest rates could increase the cost of servicing such indebtedness and materially reduce our profitability and cash flows. As of January 29, 2023 January 28, 2024, assuming all Senior ABL Credit Facility revolving loans were fully drawn, and excluding the impact of any interest rate hedging instruments, each one percentage point change in interest rates would have resulted in an approximately \$27 million increase in annual interest expense on the Senior ABL Credit Facility and the 2028 Senior Term Loan Facility, Loan. The impact of such an increase would be more significant for us than it would be for some other companies because of the total amount of our indebtedness.

Furthermore, the transition to the term secured overnight financing rate ("Term SOFR") as the benchmark rate for certain of our variable indebtedness may adversely affect our business or financial condition. On July 29, 2022 and February 26, 2023, respectively, we amended the terms of the Senior ABL Credit Facility and Senior Term Loan Facility, in order to, among other things, implement a forward-looking interest rate based on Term SOFR in lieu of the London Interbank Offered Rate ("LIBOR"). Additionally, in February 2023, we amended the terms of our interest rate swap to, among other things, receive payments based upon the one-month Term SOFR rate. Using Term SOFR as the basis on which interest on the Senior ABL Credit Facility, Senior Term Loan Facility and our interest rate swaps is calculated may result in interest rates and/or payments that do not directly correlate over time with the interest rates and/or payments that would have been made on our obligations if LIBOR was available in its current form. Although Term SOFR has been endorsed by the Alternative Reference Rate Committee as its preferred replacement for LIBOR, it remains uncertain whether or when Term SOFR or other alternative reference rates will be widely accepted by lenders as the replacement for LIBOR. This may, in turn, impact the liquidity of the Term SOFR loan market, and Term SOFR itself, with the risk of increased volatility, which could result in higher borrowing costs for us. Further, as the use of Term SOFR-based rates is relatively new, there could be unanticipated difficulties, disruptions or methodological or other changes with the calculation and publication of Term SOFR based rates, which in turn could trigger another benchmark transition or otherwise cause a reliance on an alternate base rate. This could also result in increased borrowing costs for us and thereby have a material adverse effect on our business or financial condition.

Changes in our credit ratings and outlook may reduce access to capital and increase borrowing costs.

Our credit ratings are based on a number of factors, including our financial strength and factors outside of our control, such as conditions affecting our industry generally or the introduction of new rating practices and methodologies. We cannot provide assurances that our current credit ratings will remain in effect or that the ratings will not be lowered, suspended or withdrawn entirely by the rating agencies. If rating agencies lower, suspend or withdraw the ratings, the market price or marketability of our securities may be adversely affected. Pressure on the ratings could also arise from higher shareholder payouts or larger acquisitions that result in increased leverage, or in a deterioration in the metrics used by the rating agencies to assess creditworthiness. In addition, any change in ratings could make it more difficult for us to raise capital on acceptable terms, impact the ability to obtain adequate financing and result in higher interest costs on future financings.

Our ability to generate the significant amount of cash needed to pay interest and principal on our indebtedness and our ability to refinance all or a portion of our indebtedness or obtain additional financing depends on many factors beyond our control.

Our ability to make scheduled payments on, or to refinance our obligations under, our indebtedness depends on the financial and operating performance of our subsidiaries, which, in turn, depends on their results of operations, cash flows, cash requirements, financial position and general business conditions and any legal restrictions on the payment of distributions to which they may be subject, many of which may be beyond our control.

We may be unable to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal and interest on our indebtedness. If our cash flow and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets, seek to obtain additional equity capital or restructure our indebtedness. In the future, our cash flow and capital resources may not be sufficient for payments of interest on and principal of our indebtedness, and such alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations.

The On February 9, 2024, the Senior ABL Credit Facility matures was amended to extend the facility maturity date to February 9, 2029. The outstanding borrowings under the 2028 Senior Term Loan mature on July 27, 2026, July 27, 2028 and the outstanding borrowings under on the 2031 Senior Term Loan Facility mature on July 27, 2028 February 9, 2031. We may be unable to refinance any of our indebtedness prior to maturity, as a result of prepayment penalties or otherwise, or obtain additional financing, particularly because

of our indebtedness. In addition, market disruptions, such as those experienced in 2008, and 2009, 2020 and more recently in 2022, as well as our indebtedness levels, may increase our cost of borrowing or adversely affect our ability to refinance our obligations as they become due. We may be unable to refinance our indebtedness, at maturity or otherwise, on terms acceptable to us or at all. If we are unable to refinance our indebtedness or access additional credit, or if short-term or long-term borrowing costs dramatically increase, our ability to finance current operations and meet our short-term and long-term obligations could be adversely affected.

If Core & Main LP cannot make scheduled payments on its indebtedness under the Senior ABL Credit Facility, and/or the 2028 Senior Term Loan, Facility and/or the 2031 Senior Term Loan, it will be in default and the lenders under the Senior ABL Credit Facility, and/or the 2028 Senior Term Loan Facility and/or the 2031 Senior Term Loan could terminate their commitments to loan money or foreclose against the assets securing the borrowings, and Core & Main LP could be forced into bankruptcy or liquidation. Any of these actions could have a material adverse effect on our business or financial condition.

Risks Related to Our Organizational Structure

Our principal asset is our direct and indirect ownership interest in Holdings, and, accordingly, we depend on distributions from Holdings and its subsidiaries to pay our taxes and other expenses, including payments under each of the Tax Receivable Agreements. Our subsidiaries' ability to make such distributions may be subject to various limitations and restrictions.

We are a holding company and our primary asset is material assets are our direct and indirect ownership of Holdings. Holdings and deferred tax assets associated with this ownership. Holdings itself has no operations and no material assets of its own other than its indirect ownership interest in Core & Main Midco, LLC, which is a holding company with no operations and no material assets of its own other than its ownership interest in Core & Main LP and Core & Main Intermediate GP, LLC, the general partner of Core & Main LP. As such, we have no independent means of generating revenue or cash flow, and our ability to pay our taxes and operating expenses or declare and pay dividends in the future, if any, will be dependent upon the financial results and cash flows of our current and future subsidiaries, including Core & Main LP. There can be no assurance that our subsidiaries will generate sufficient cash flow to distribute funds to us or that applicable state law and contractual restrictions, including covenants in the agreements that govern Core & Main LP's indebtedness, will permit such distributions.

Holdings is treated as a partnership for U.S. federal income tax purposes and, as such, generally is not subject to any entity-level U.S. federal income tax. Instead, taxable income of Holdings, if any, will be allocated to holders of Partnership Interests, including us. Accordingly, we will generally incur U.S. federal income taxes on our allocable share of any net taxable income of Holdings. In addition, our allocable share of Holdings' net taxable income will increase over time as the Continuing Limited Partners continue Management Feeder continues to exchange their its Partnership Interests for shares of our Class A common stock. Such increase in our taxable income may increase our tax expenses and may have a material adverse effect on our business or financial condition.

In connection with the Reorganization Transactions and the IPO, we entered into a tax receivable agreement with the Former Limited Partners (the "Former Limited Partners Tax Receivable Agreement") and a tax receivable agreement with the Continuing Limited Partners (the "Continuing Limited Partners Tax Receivable Agreement") (collectively, the "Tax Receivable Agreements"). Under the terms of the Amended and Restated Limited Partnership Agreement of Holdings, Holdings is obligated to make tax distributions to holders of Partnership Interests, including us, to the extent that other distributions made by Holdings are otherwise insufficient to pay the tax liabilities of holders of Partnership Interests. In addition to tax expenses, we also incur expenses related to our operations, including payments under the Tax Receivable Agreements. Because tax distributions are based on an assumed tax rate, Holdings may be required to make tax distributions that, in the aggregate, could be significant. We intend, as its general partner, to cause Holdings to make cash distributions to the owners of Partnership Interests, including us, in an amount sufficient to (i) fund all or part of their tax obligations in respect of taxable income allocated to them and (ii) cover our operating expenses, including payments made under the Tax Receivable Agreements. However, Holdings' ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions that would either violate any contract or agreement to which Holdings is then a party, including debt agreements, or any applicable law, or that would have the effect of rendering Holdings insolvent. If we do not have sufficient funds to pay taxes or other expenses or to fund our operations, we may have to borrow funds, which could materially adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders. To the extent that we are unable to make payments under any Tax Receivable Agreement for any reason, such payments generally will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under such Tax Receivable Agreement and therefore accelerate payments due under such Tax Receivable Agreement. In addition, if Holdings does not have sufficient funds to make distributions, our ability to declare and pay cash dividends on our Class A common stock will also be restricted or impaired. See "—Risks Related to Our Class A Common Stock".

Our organizational structure, including the Tax Receivable Agreements, confers certain benefits upon the Continuing Limited Partners and certain Former Limited Partners that will not benefit Class A common stockholders to the same extent as it will benefit Continuing Limited Partners or such Former Limited Partners.

Our organizational structure, including the Tax Receivable Agreements, confers certain benefits upon Continuing Limited Partners (as defined in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K) and certain Former Limited Partners that will not benefit the holders of our Class A common stock to the same extent as it will benefit Continuing Limited Partners or such Former Limited Partners. As described in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K, exchanges of Partnership Interests by the Continuing Limited Partners and Former Limited Partners exchanges of Partnership Interests may generate tax attributes for the Company for which we must pay 85% of the realized, or deemed to be realized, benefits to the exchanging party under the respective Tax Receivable Agreement. Although we will retain 15% of the amount of such tax benefits, this and other aspects of our organizational structure may adversely impact the trading market for the Class A common stock. In addition, our organizational structure, including the Tax Receivable Agreements, imposes additional compliance costs and requires a significant commitment of resources that would not be required of a company with a simpler organizational structure.

The Tax Receivable Agreements require us to make cash payments to the Continuing Limited Partners and certain Former Limited Partners in respect of certain tax benefits to which we may become entitled, and we expect that the payments we will be required to make will be substantial.

As described in greater detail in Note 7 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K, under the Tax Receivable Agreements, we are required to make cash payments to the Continuing Limited Partners or their permitted transferees and to certain Former Limited Partners or their permitted transferees. The amount of the cash payments that we will be required to make under the Tax Receivable Agreements is expected to be substantial. Any payments made by us under the Tax Receivable Agreements will generally reduce the amount of overall cash flow that might have otherwise been available to us. Furthermore, our future obligation to make payments under the Tax Receivable Agreements could make us a less attractive target for an acquisition, particularly in the case of an acquirer that cannot use/realize some or all of the tax benefits that are the subject of the Tax Receivable Agreements. Payments under the Tax Receivable Agreements are not conditioned on any holder's continued ownership of Partnership Interests or our common stock. As of January 29, 2023 January 28, 2024, the Company had recorded a \$185 \$717 million payable to related parties pursuant to the Tax Receivable Agreements.

In addition, if the Continuing Limited Partners exchanged their remaining Partnership Interests on **January 29, 2023** **January 28, 2024**, utilizing assumptions described in Note 7 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K, we would recognize **an additional** deferred tax asset (subject to offset with existing deferred tax liabilities) of approximately **\$511** **\$108** million and a Continuing Limited Partners Tax Receivable Agreement liability of approximately **\$434 million, payable to the Continuing Limited Partners over the life of the Continuing Limited Partners Tax Receivable Agreement; \$92 million.** The full exchange by the Continuing Limited Partners will also decrease our aforementioned deferred tax asset associated with our investment in Holdings by **\$145** **\$4** million. These amounts are estimates only and are subject to change. The actual amount and timing of any payments under the Tax Receivable Agreements will vary depending upon a number of factors, including the timing of exchanges by the holders of Partnership Interests, the amount of gain recognized by such holders of Partnership Interests, the amount and timing of the taxable income we generate in the future and the federal tax rates then applicable.

In certain cases, payments under the Tax Receivable Agreements to Continuing Limited Partners or Former Limited Partners may be accelerated or significantly exceed the actual benefits we realize in respect of the tax attributes subject to the Tax Receivable Agreements.

Each Tax Receivable Agreement provides that upon certain mergers, asset sales, other forms of business combinations or other changes of control, nonpayment for a specified period which constitutes a material breach of a material obligation under such Tax Receivable Agreement, or if, at any time, we elect an early termination of such Tax Receivable Agreement, then our obligations, or our successor's obligations, under such Tax Receivable Agreement to make payments thereunder would be based on certain assumptions, including an assumption that we would have sufficient taxable income to fully utilize all potential future tax benefits that are subject to such Tax Receivable Agreement.

As a result of the foregoing, (i) we could be required to make payments under such Tax Receivable Agreement that are greater than the specified percentage of the actual benefits we ultimately realize in respect of the tax benefits that are subject to such Tax Receivable Agreement and (ii) if we elect to terminate such Tax Receivable Agreement early, we would be required to make an immediate cash payment equal to the specified percentage of the present value of the anticipated future tax benefits that are the subject of such Tax Receivable Agreement, which payment may be made significantly in advance of the actual realization, if any, of such future tax benefits. Based upon certain assumptions, described in greater detail in Note 7 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K, we estimate that if we **had** exercised our termination right as of **January 29, 2023** **January 28, 2024**, the amount of the termination payment pursuant to the Tax Receivable Agreements recorded on the Consolidated Balance Sheets for the exchange of Partnership Interests would be approximately **\$123 million** **\$470 million** and the amount of the termination payment to **the** Continuing Limited Partners holding the remaining exchangeable Partnership Interests would be approximately **\$262 million.** **\$58 million.** The foregoing numbers are estimates and the actual payments could differ materially based on, among other things, the timing of an early termination election, the discount rate applicable at the time of the early termination election and material changes in relevant tax law. In these situations, our payments under such Tax Receivable Agreement could have a substantial negative impact on our liquidity and could have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control. There can be no assurance that we will be able to fund or finance our payments under the Tax Receivable Agreements.

We will not be reimbursed for any payments made under the Tax Receivable Agreements in the event that any tax benefits are disallowed.

Our acquisitions of Partnership Interests in connection with the Exchange Agreement are expected to result in increases in our allocable tax basis in the assets of Holdings that otherwise would not have been available to us. These increases in tax basis are expected to reduce the amount of cash tax that we would otherwise have to pay in the future due to increases in depreciation and amortization deductions (for tax purposes). These increases in tax basis may also decrease gain (or increase loss) on future dispositions of certain assets of Holdings to the extent the increased tax basis is allocated to those assets. The Internal Revenue Service (the "IRS") may challenge all or part of these tax basis increases, and a court could sustain such a challenge.

Payments under the Tax Receivable Agreements will be based on the tax reporting positions that we determine, and the IRS or another taxing authority may challenge all or part of the tax basis increases, as well as other related tax positions we take, and a court could sustain such challenge. While the actual increase in tax basis, as well as the actual amount and timing of any payments under the Tax Receivable Agreements, will vary depending upon a number of factors, including the timing of exchanges, the price of shares of our Class A common stock at the time of the exchange, the extent to which such exchanges are taxable, future tax rates, and the amount and timing of our income, we expect that, as a result of the size of the increases in the tax basis of the tangible and intangible assets of Holdings attributable to our interests in Holdings, during the expected term of the Tax Receivable Agreements, the payments that we may make to the Continuing Limited Partners could be substantial.

The payment obligations under the Tax Receivable Agreements are our obligation and not an obligation of Holdings. In the event any tax benefits initially claimed by us and for which payment has been made are successfully challenged **by a taxing authority**, such prior payments under the applicable Tax Receivable Agreements will not be reimbursed but any such detriment will generally be taken into account as a reduction in future payments due under the applicable Tax Receivable Agreement. However, we might not determine that we have effectively made an excess cash payment for a number of years following the initial time of such payment and, if any of our tax reporting positions are challenged by a taxing authority, we will not be permitted to reduce any future cash payments under such Tax Receivable Agreement until any such challenge is finally settled or determined. As a result, payments could be made under such Tax Receivable Agreement in excess of the tax savings that we realize in respect of the tax attributes that are the subject of such Tax Receivable Agreement.

If we were deemed to be an investment company under the Investment Company Act of 1940, as amended (the "1940 Act"), as a result of our ownership of Holdings, applicable restrictions could make it impractical for us to continue our business as currently contemplated and could have a material adverse effect on our business or financial condition.

Under Sections 3(a)(1)(A) and (C) of the 1940 Act, a company generally will be deemed to be an "investment company" for purposes of the 1940 Act if (i) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities or (ii) it engages, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We do not believe that we are an "investment company," as such term is defined in either of those sections of the 1940 Act.

As the general partner of Holdings, we control and operate Holdings. On that basis, we believe that our interest in Holdings is neither an "investment security" as that term is used in the 1940 Act nor a "security" based on the test under applicable case law. However, if we were to cease participation in the management of Holdings, our interest in Holdings could be deemed an "investment security" for purposes of the 1940 Act.

We and Holdings intend to conduct our operations so that we will not be deemed an investment company. However, if we were to be deemed an investment company, restrictions imposed by the 1940 Act, including limitations on our capital structure and our ability to transact with affiliates, could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business or financial condition.

Risks Related to Our Class A Common Stock

The market price of our Class A common stock may be volatile and could decline.

Volatility in the market price of our Class A common stock may prevent you our shareholders from being able to sell your shares at or above the price you paid for your such shares. The market price of our Class A common stock may fluctuate significantly. Among the factors that could affect our stock price are:

- industry, regulatory or general market conditions;
- domestic and international economic factors unrelated to our performance;
- new regulatory pronouncements and changes in regulatory guidelines;
- lawsuits, enforcement actions and other claims by third parties or governmental authorities;
- actual or anticipated fluctuations in our quarterly operating results;
- lack of research coverage and reports by industry analysts or changes in any securities analysts' estimates of our financial performance;
- action by institutional stockholders or other large stockholders, including future sales of our Class A common stock;
- failure to meet any guidance given by us or any change in any guidance given by us, or changes by us in our guidance practices;
- changes in our share repurchase or dividend policy;
- announcements by us of significant impairment charges;
- speculation in the press or investment community;
- investor perception of us or our industry;
- changes in market valuations or earnings of similar companies;
- the impact of short selling or the impact of a potential "short squeeze" resulting from a sudden increase in demand for our Class A common stock;
- announcements by us or our competitors of significant contracts, acquisitions, dispositions or strategic partnerships;
- war, terrorist acts, epidemic disease or pandemic disease;
- any future sales of our Class A common stock or other securities;
- additions or departures of key personnel; and
- misconduct or other improper actions of our associates.

Stock markets have experienced extreme volatility in recent years that has been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our Class A common stock. In the past, following periods of volatility in the market price of a company's securities, class action litigation has often been instituted against the affected company. Any litigation of this type brought against us could result in substantial costs and a diversion of our management's attention and resources, which could materially and adversely affect our business or financial condition.

An active, liquid trading market for our Class A common stock may not be sustained.

Although our Class A common stock is currently listed on the NYSE under the symbol "CNM," an active trading market for our shares may not be sustained. Accordingly, if an active trading market for our Class A common stock is not maintained, the liquidity of our Class A common stock, your our shareholders' ability to sell your shares of our Class A common stock when desired and the prices that you a shareholder may obtain for your shares of our Class A common stock will be adversely affected.

Future sales of shares by us or our existing stockholders could cause our stock price to decline.

Sales of substantial amounts of our Class A common stock in the public market, or the perception that these sales could occur, could cause the market price of our Class A common stock to decline. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

As of January 29, 2023 January 28, 2024, we had a total of 172,765,161 191,663,608 shares of Class A common stock outstanding and 73,229,675 9,630,186 of potential additional shares of Class A common stock issuable upon exchange of Partnership Interests (with automatic retirement of an equal number of shares of Class B common stock). Of the outstanding shares of Class A common stock, all of the Class A common stock shares sold in our IPO and Secondary Offerings are immediately tradable without restriction under the Securities Act of 1933, as amended (the "Securities Act"), except for any shares held by "affiliates," as that term is defined in Rule 144 under the Securities Act ("Rule 144"). As of January 29, 2023, 100,526,523 shares of our Class A common stock were restricted securities within the meaning of Rule 144 under the Securities Act, but were eligible for resale subject to applicable volume, means of sale, holding period and other limitations of Rule 144 under the Securities Act or pursuant to an exemption from registration under Rule 701 under the Securities Act, or "Rule 701," subject to any lock-up agreements.

Additionally, pursuant to the terms of the Exchange Agreement and subject to certain restrictions set forth therein and as described elsewhere in this Annual Report on Form 10-K, the Continuing Limited Partners have Management Feeder (or its permitted transferees) has the right to exchange their its Partnership Interests, together with the retirement of a corresponding number of shares of our Class B common stock, for shares of our Class A common stock on a one-for-one basis or, at the election of a majority of the disinterested members of our board of directors, for cash from a substantially concurrent public offering or private sale (based on the price of our Class A common stock sold in such public offering or private sale), net of any underwriting discounts and commissions, for each Partnership Interest exchanged, subject to customary conversion rate adjustments for stock splits, stock dividends, reclassifications and other similar transactions. The Exchange Agreement also provides that in connection with any such exchange, to the extent that Holdings has, since consummation of the Reorganization Transactions and our IPO, made distributions to the applicable Continuing Limited Partner Management Feeder that are proportionately lesser or greater than the distributions made to us, on a pro rata basis, the number of shares of Class A common stock to be issued or cash to be paid to such Continuing Limited Partner Management Feeder will be adjusted to take into account the amount of such discrepancy that is allocable to the Partnership Interests, and Class B

common stock, subject to such exchange. We expect to cause Holdings to make overall distributions to its partners in such a manner as generally to limit increases to the number of shares of Class A common stock to be issued or cash to be paid to **exchanging Continuing Limited Partners Management Feeder** in connection with the adjustment described in the preceding sentence. The amount of future partner distributions and the number of shares issuable pursuant to such provision of the Exchange Agreement will fluctuate based on a number of factors, including our financial performance, the actual tax rates applied to **the applicable Continuing Limited Partners Management Feeder** (or **their its** permitted transferees), any changes in tax rates or tax laws and future share prices for our Class A common stock. Unless our board of directors elects to settle these obligations in cash pursuant to the terms of the Exchange Agreement, we expect that these arrangements will result in a substantial number of additional shares of Class A common stock being issued to **the Continuing Limited Partners Management Feeder**.

On July 23, 2021, we also filed a registration statement on Form S-8 under the Securities Act to register the shares of Class A common stock to be issued under our equity compensation plans. As a result, all shares of Class A common stock acquired upon exercise of stock options and other securities convertible or exchangeable into shares of Class A common stock granted under our equity compensation plans will be freely tradable under the Securities Act, subject to the terms of the lock-up agreements, unless purchased by our affiliates. Furthermore, as of January 29, 2023, 28, 2024, there were (i) common units of **Core & Main Management Management Feeder LLC** ("Management Feeder"), which correspond to an equivalent number of Partnership Interests in Holdings that may be exchanged for **12,196,099 9,243,276** shares of Class A common stock in the aggregate, which will be issuable upon exchange of such Partnership Interests (together with the retirement of a corresponding number of shares of Class B common stock held by Management Feeder), (ii) unvested common units of Management Feeder, that are subject to certain time-vesting provisions, which correspond to an equivalent number of Partnership Interests in Holdings that may be exchanged for **758,202 386,910** shares of Class A common stock in the aggregate, which will be issuable upon exchange of such Partnership Interests (together with the retirement of a corresponding number of shares of Class B common stock held by Management Feeder) and (iii) stock appreciation rights of Holdings, denominated in Class A common stock, pursuant to which **556,039 331,554** shares of Class A common stock will be issuable, at a weighted average base price of **\$4.65 \$5.28** per share, of which stock appreciation rights representing **376,496 225,941** shares of Class A common stock are vested and exercisable as of January 29, 2023, 28, 2024.

The CD&R Investors control us and may have conflicts of interest with other stockholders.

As of January 29, 2023, the CD&R Investors beneficially owned shares of **If securities or industry analysts do not publish research or publish misleading or unfavorable research about our common stock representing approximately 65.4% of the combined voting power of business, our common stock through its ownership of Class A common stock price and trading volume could decline.**

The trading market for our Class B A common stock. As a result, stock depends in part on the CD&R Investors have sufficient voting power without research and reports that securities or industry analysts may publish about us or our business. If one or more of the **consent** analysts that covers our Class A common stock downgrades our stock or publishes misleading or unfavorable research about our business, our stock price would likely decline. If one or more of our other stockholders to be able to control all matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions, which could reduce the market price analysts ceases coverage of our Class A common stock.

Because the CD&R Investors' interests may differ from your interests, actions the CD&R Investors take as **stock or fails to publish reports on us regularly, demand for our controlling stockholders may not be favorable to you. For example, the concentration of voting power held by the CD&R Investors could delay, defer or prevent a change of control of us, impede a merger, takeover or other business combination that another stockholder may otherwise view favorably or cause us to enter into transactions or agreements that are not in the best interests of all stockholders. Other potential conflicts could arise, for example, over matters such as associate retention or recruiting, or our dividend policy.**

Furthermore, as long as the CD&R Investors continue to beneficially own shares of our **Class A** common stock representing at least 50% of the total voting power of the outstanding shares of **could decrease, which could cause our Class A common stock the CD&R Investors will be able price or trading volume to determine the outcome of corporate actions requiring stockholder approval, including the election of the members of our board of directors and the approval of significant corporate transactions, such as mergers and the sale of substantially all of our assets. Even if the CD&R Investors cease to beneficially own shares of our common stock representing at least 50% of the total voting power of the outstanding shares of our common stock, they will likely still be able to assert significant influence over our board of directors and certain corporate actions. The CD&R Investors have the right to designate for nomination for election to our board of directors at least a majority of our directors and to designate the Chair of our board of directors as long as the CD&R Investors (together with their affiliates) collectively beneficially own shares of our common stock and our other equity securities representing at least 50% and 25%, respectively, of the total voting power of the outstanding shares of our common stock and our other equity securities.**

Under our Certificate of Incorporation, the CD&R Investors and their affiliates and, in some circumstances, any of our directors and officers who is also a director, officer, employee, member or partner of the CD&R Investors and their affiliates, have no obligation to offer us corporate opportunities.

The policies relating to corporate opportunities and transactions with the CD&R Investors set forth in our Certificate of Incorporation address potential conflicts of interest between Core & Main, on the one hand, and the CD&R Investors and their respective officers, directors, employees, members or partners who are directors or officers of our company, on the other hand. In accordance with those policies, the CD&R Investors may pursue corporate opportunities, including acquisition opportunities that may be complementary to our business, without offering those opportunities to us. By becoming a stockholder in Core & Main, you will be deemed to have notice of and have consented to these provisions of our Certificate of Incorporation. Although these provisions are designed to resolve conflicts between us and the CD&R Investors and their affiliates fairly, conflicts may not be resolved in our favor or be resolved at all. **decline.**

Future offerings of debt, Class A common stock, equity securities which would rank senior to our Class A common stock or other securities convertible or exchangeable into common or preferred stock, in connection with a financing, strategic investment, litigation settlement or employee arrangement or otherwise, may result in dilution to owners of our Class A common stock and/or may adversely affect the market price of our Class A common stock.

If, in the future, we decide to issue debt or equity securities that rank senior to our Class A common stock, it is likely that such securities will be governed by an indenture or other instrument containing covenants restricting our operating flexibility. Issuing additional shares of our Class A common stock or other equity securities or securities convertible into equity may dilute the economic and voting rights of our stockholders or reduce the market price of our Class A common stock. Additionally, any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our Class A common stock and may result in dilution to owners of our Class A common stock. Debt securities convertible into equity could be subject to adjustments in the conversion ratio pursuant to which certain events may increase the number of equity securities issuable upon conversion. Preferred stock, if issued, could have a preference with respect to liquidating distributions or a preference with respect to dividend payments that could limit our ability to pay dividends to the holders of our Class A common stock. We and, indirectly, our stockholders, will bear the cost of issuing and servicing such securities. Because our decision to issue debt or equity securities in any future offering will depend on market conditions and other factors outside our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, holders of our Class A common stock will bear the risk of our future offerings, reducing the market price of our Class A common stock or diluting the value of their stock holdings in us.

In addition, in the future, we may issue additional shares of Class A common stock or other equity or debt securities convertible into or exercisable or exchangeable for shares of our Class A common stock in connection with a financing, strategic investment, litigation settlement or employee arrangement or otherwise. Any of these issuances could result in substantial dilution to our existing stockholders and could cause the trading price of our Class A common stock to decline.

Anti-takeover provisions in our Certificate of Incorporation and By-laws our amended and restated by-laws (the "By-laws") could discourage, delay or prevent a change of control of our company Company and may affect the trading price of our Class A common stock.

Our Certificate of Incorporation and By-laws include a number of provisions that may discourage, delay or prevent a change in our management or control over us even if our stockholders might consider such changes to be favorable. For example, our Certificate of Incorporation and By-laws collectively:

- authorize the issuance of "blank check" preferred stock that could be issued by our board of directors to thwart a takeover attempt;
- provide for a classified board of directors, which divides our board of directors into three classes, with members of each class serving staggered three-year terms, which prevents stockholders from electing an entirely new board of directors at an annual meeting;
- limit the ability of stockholders to remove directors if the CD&R Investors (together with their affiliates) cease to beneficially own shares of our common stock representing at least 40% of the total voting power of the outstanding shares of our common stock; without cause;
- provide that vacancies on our board of directors, including vacancies resulting from an enlargement of our board of directors, may be filled only by a majority vote of directors then in office;
- prohibit stockholders from calling special meetings of stockholders if the CD&R Investors (together with their affiliates) cease to beneficially own shares of our common stock representing at least 40% of the total voting power of the outstanding shares of our common stock; stockholders;
- prohibit stockholder action by consent in writing or electronic transmission, thereby requiring all actions to be taken at a meeting of the stockholders, if the CD&R Investors (together with their affiliates) cease to beneficially own shares of our common stock representing at least 40% of the total voting power of the outstanding shares of our common stock; stockholders;
- do not opt out of Section 203 of the Delaware General Corporation Law (the "DGCL"), which generally prohibits a publicly-held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the time the person became an interested stockholder, or any successor provision to Section 203, until Section 203 by its terms would, but for the applicable provisions of our Certificate of Incorporation, apply to us and the CD&R Investors (together with their affiliates) cease to beneficially own shares of our common stock representing at least 5% of the total voting power of the outstanding shares of our common stock; 203;
- establish advance notice requirements for nominations of candidates for election as directors or to bring other business before an annual meeting of our stockholders; and
- require the approval of holders of at least 66 2/3% of the voting power of the outstanding shares of our common stock then entitled to vote thereon to amend our By-laws and certain provisions of our Certificate of Incorporation if the CD&R Investors (together with their affiliates) cease to beneficially own shares of our common stock representing at least 40% of the total voting power of the outstanding shares of our common stock. Incorporation.

These provisions may prevent our stockholders from receiving the benefit from any premium to the market price of our Class A common stock offered by a bidder in a takeover context or from changing our management and board of directors. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our Class A common stock if the provisions are viewed as discouraging takeover attempts in the future.

Our Certificate of Incorporation and By-laws may also make it difficult for stockholders to replace or remove our management. Furthermore, the existence of the foregoing provisions as well as the significant amount of the total voting power that the CD&R Investors have, could limit the price that investors might be willing to pay in the future for shares of our Class A common stock. These provisions may facilitate management entrenchment that may delay, deter, render more difficult or prevent a change in our control, which may not be in the best interests of our stockholders.

We could be the subject of securities class action litigation due to future stock price volatility, which could divert management's attention and materially and adversely affect our business or financial condition.

The stock market in general, and market prices for the securities of companies like ours in particular, have from time to time experienced volatility that often has been unrelated to the operating performance of the underlying companies. A certain degree of stock price volatility can be attributed to being a newly public company. These broad market and industry fluctuations may adversely affect the market price of our Class A common stock, regardless of our operating performance. In certain situations in which the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. We may be a target of this type of litigation in the future. The defense and disposition of litigation of this type could result in substantial costs and divert resources and the time and attention of our management, which could materially and adversely affect our business or financial condition.

We currently do not have an approved plan to pay dividends on our Class A common stock or repurchase shares and, consequently, your ability to achieve a return on your investment depends on appreciation in the price of our Class A common stock.

While we may in the future consider approving a plan to pay dividends on our Class A common stock, we currently intend to use our future earnings, if any, to repay debt, to fund our growth, to develop our business, for working capital needs and for general corporate purposes. Therefore, there is no certainty as to the timing, frequency or and magnitude of any dividends that we may pay on our Class A common stock for the foreseeable future, and the success of an investment in shares of our common stock depends upon any future appreciation in their value. There is no guarantee that shares of our Class A common stock will appreciate in value or even maintain the price at which our stockholders have purchased their shares. Payments of dividends, if any, are at the sole discretion of our board of directors after taking into account various factors, including general and economic conditions, our financial condition and operating results, our available cash and current and anticipated cash needs, capital requirements, contractual, legal and tax restrictions and implications of the payment of dividends by us to our stockholders or by our subsidiaries to us, and such other factors as our board of directors may deem relevant. In addition, our operations are conducted almost entirely through our subsidiaries. As such, to the extent that we determine in the future to pay dividends on our Class A common stock, none of our subsidiaries will be obligated to make funds available to us for the payment of dividends. Further, the agreements governing our subsidiaries' debt agreements significantly restrict

the ability of our subsidiaries to pay dividends or otherwise transfer assets to us, and we may enter into other debt agreements or borrowing arrangements in the future that restrict or limit our ability to pay cash dividends on our Class A common stock. In addition, Delaware law imposes additional requirements that may restrict our ability to pay dividends to holders of our Class A common stock.

We are a "controlled company" within the meaning of the NYSE listing standards and, as a result, currently rely on exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

The CD&R Investors control a majority of the voting power of our outstanding common stock. Accordingly, we expect to continue to be a "controlled company" within the meaning of corporate governance standards. Under the NYSE rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance standards, including:

- the requirement that our Nominating and Governance Committee be composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- the requirement that we have a Compensation Committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

We currently intend to continue to utilize the exemptions from the requirements that each of the Nominating and Governance Committee and Compensation Committee be composed entirely of independent directors. As a result, each of our Nominating and Governance Committee and Compensation Committee do not consist entirely of independent directors. Consequently, you will not have the same protections afforded to stockholders of companies that are subject to all of the NYSE corporate governance rules and requirements. Our status as a controlled company could make our Class A common stock less attractive to some investors or otherwise harm our stock price.

At such time as the CD&R Investors no longer control a majority of the voting power of our outstanding common stock, we will no longer be a "controlled company" within the meaning of the NYSE corporate governance standards. The NYSE rules require that we have at least one independent director on each of the Compensation and Nominating and Governance Committees on the date we no longer qualify as a "controlled company," have at least a majority of independent directors on each of the Compensation and Nominating and Governance Committees within 90 days of such date and that the Compensation and Nominating and Governance Committees be composed entirely of independent directors within one year of such date. During this transition period, we may continue to utilize the exemptions from certain corporate governance requirements as permitted by the NYSE rules. Accordingly, during the transition period, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE. Furthermore, a change in our board of directors and committee membership may result in a change in corporate strategy and operation philosophies, and may result in deviations from our current strategy.

Our Certificate of Incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or stockholders.

Our Certificate of Incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware) will, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action, suit or proceeding brought on our behalf, (ii) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed to us or our stockholders by any of our directors, officers, other employees, agents or stockholders, (iii) any action, suit or proceeding asserting a claim arising out of or pursuant to or seeking to enforce any right, obligation or remedy under any provision of our Certificate of Incorporation or our By-laws (as either may be amended or restated) or the DGCL, or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action or proceeding asserting a claim that is governed by the internal affairs doctrine, in each case subject to such Court of Chancery of the State of Delaware having personal jurisdiction over the indispensable parties named as defendants. It is possible that a court could find that the exclusive forum provisions described above are inapplicable for a particular claim or action or that such provision is unenforceable, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. As permitted by Delaware law, our Certificate of Incorporation provides that, unless we consent in writing to the election of an alternative forum, the U.S. federal district courts of the United States of America will, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, the Exchange Act, and the rules and regulations thereunder. To the fullest extent permitted by law, by becoming a stockholder in our company, Company, you will be deemed to have notice of and have consented to the provisions of our Certificate of Incorporation related to choice of forum. The choice of forum provision in our Certificate of Incorporation may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or any of our directors, officers, other employees, agents or stockholders, which could discourage lawsuits with respect to such claims. Additionally, a court could determine that the exclusive forum provision is unenforceable, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. If a court were to find these provisions of our Certificate of Incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially and adversely affect our business or financial condition.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Management and Strategy

The Company monitors its information systems to assess, identify, and manage risks and assess cybersecurity threats. The Company's cybersecurity program and related process for identifying and assessing material risks from cybersecurity threats are incorporated within the Company's enterprise risk management program. The Company monitors risks through active (e.g., penetration tests and vulnerability scans) and passive (e.g., end-point protection) methods. The Company's cybersecurity team investigates system alerts that may indicate the presence of a cybersecurity threat or incident and escalates information to the Company's Chief Information Security Officer ("CISO") regarding the threat or incident as necessary to address it in a timely manner. The Company also maintains an incident response plan, which sets forth processes the Company will follow to address a significant cybersecurity threat or incident. The incident response plan provides for, among other things, inter-departmental coordination and management of cybersecurity threats or incidents to quickly assess the impact, mitigate risks to information systems, and work to resolve vulnerabilities. Depending on the threat or incident, the Company may utilize third-parties for assistance in investigating and addressing cybersecurity incidents or threats.

Senior information technology and cybersecurity leadership meets regularly with the Company's risk-management team, internal auditors and engages with external service providers to evaluate the effectiveness of the Company's cybersecurity program, as well as its systems, controls, and management processes with respect to cybersecurity risks.

The Company also engages third-party cybersecurity experts to assess its processes and suggest improvements, which are reviewed with the Company's executive leadership, the board of directors and its audit committee.

The Company extends the risk assessment elements described above to our evaluation of third-party suppliers. The Company utilizes a risk-based approach to assess third-party suppliers prior to commencement of a relationship, and on an ongoing basis following initial engagement. This assessment considers the significance of the third-party to our operations, availability of alternative suppliers, the type of data provided to the third-party and publicly available information regarding the third-party.

The Company describes whether and how risks from identified cybersecurity threats have materially affected or are reasonably likely to materially affect the Company under the heading "Interruptions in the proper functioning of the Company's and our third-party service providers' IT systems or compromise of our or our customers' confidential data, including from cybersecurity threats, could disrupt operations and cause unanticipated reputational harm, litigation and regulatory risk, as well as increases in costs or decreases in net sales, or both" included as part of the Company's risk factor disclosures in Item 1A of this Annual Report on Form 10-K. During the period covered by this report, there have not been any cybersecurity threats or incidents that have materially affected, or are reasonably likely to materially affect, the Company, including its financial condition, results of operations, or business strategies.

Governance

The Company's board of directors, primarily through its audit committee, oversees the Company's cybersecurity program. The Company's CISO regularly reports to the board's audit committee on the current state of the Company's cybersecurity program (including but not limited to, the current threat landscape, cybersecurity risks, and as needed, any significant incidents). The audit committee may provide updates to the board of directors on the substance of these reports and any recommendations for improvements that the audit committee deems appropriate. At the management level, the Company's Chief Information Officer (the "CIO") and Chief Financial Officer receive regular historical and real-time reports about the Company's cybersecurity status from the Company's cybersecurity department which is led by our CISO. The Company has established written policies and procedures in our cybersecurity incident response plan to ensure that significant cybersecurity incidents are investigated timely, addressed through the coordination of various internal departments, and (to the extent required by applicable law) publicly reported. If management determines a significant cybersecurity incident has occurred, the Company's policies require management to promptly inform the board of directors. The CISO is responsible for the cybersecurity program, which includes security architecture, security operations, incident response, IT risk and compliance and security awareness and training and the CIO is responsible for IT disaster recovery. The CISO and the CIO each have over 25 years of security and IT experience. The other members of the Company's security organization also have extensive cybersecurity, business, and technology experience and hold certifications in their area of expertise.

Item 2. Properties

We own our headquarters, located in St. Louis, Missouri, which we use for our principal corporate activities. In addition to our headquarters, as of January 29, 2023 January 28, 2024, we leased 282 292 properties and owned 35 43 properties. Our facilities typically include a small office space, an in-store counter and/or merchandising display area, inside warehouse space and a yard for outside storage. storage. In addition, we have 12 distribution facilities facilities strategically located around the U.S. to maximize efficiency of product distribution. We enter into leases with terms typically ranging ranging from two three to five years that include renewal options. We believe that these facilities are well-maintained and adequate to support the current needs of our business.

Item 3. Legal Proceedings

We are not currently party to any material legal proceedings. Nevertheless, we are from time to time involved in litigation incidental to the ordinary conduct of our business, including personal injury, workers' compensation and business operations. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors. See Note 9 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Like other companies in our industry, we have been subject to personal injury and property damage claims arising from the types of products that we distribute. As a distributor in this industry, we face an inherent risk of exposure to product liability claims in the event that the use of the products we have distributed in the past or may in the future distribute is alleged to have resulted in economic loss, personal injury or property damage or violated environmental, health or safety or other laws. Such product liability claims in the past have included, and may in the future include, allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability or a breach of warranties. In particular, we have been and continue to be a defendant in asbestos-related litigation matters. See Item 1A. "Risk Factors—Risks Related to Our Business—The nature of our business exposes us to product liability, construction defect and warranty claims and other litigation and legal proceedings." proceedings" in this Annual Report on Form 10-K.

Item 4. Mine Safety Disclosures

Not applicable.

PART II - OTHER INFORMATION

Item 5. Market for Registrant's Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information for Our Class A Common Stock

Core & Main, Inc. Class A common stock is quoted on the New York Stock Exchange under the ticker symbol "CNM." There is no established trading market for our Class B common stock.

Holders of Record

As of January 29, 2023 January 28, 2024, there were six five holders of record of our Class A common stock. We believe there are a significantly larger number of beneficial owners of our common stock because many shares are held by brokers and other institutions on behalf of stockholders.

Dividend Policy

We do not currently have an approved plan to pay dividends on our Class A common stock. Any future determination to pay dividends on our Class A common stock will be subject to the discretion of our board of directors and depend upon various factors, including our results of operations, financial condition, liquidity requirements, capital requirements, level of indebtedness, contractual restrictions with respect to payment of dividends, restrictions imposed by applicable law, general business conditions and other factors that our board of directors may deem relevant. Investors should not purchase our Class A common stock with the expectation of receiving cash dividends. The payment of any dividend on our Class A common stock would require a distribution from Holdings. Any distributions made by Holdings to fund dividends will be made on a pro rata basis to all limited partners of Holdings, including Core & Main, in accordance with the terms of the Amended and Restated Limited Partnership Agreement of Holdings.

Our Class B common stock is not entitled to receive dividends, or to receive a distribution upon our liquidation, dissolution or winding-up.

Performance Graph

The following graph and table compare the total shareholder return from July 23, 2021, the date on which our Class A common stock commenced trading on the New York Stock Exchange, through **January 29, 2023** **January 28, 2024** of (i) our Class A common stock, (ii) the Standard and **Poor's Poor's** 500 Stock Index, or S&P 500 Index, (iii) the Russell 2000 Index and (iv) the S&P MidCap 400 Industrials Index. The stock performance graph and table assume an initial investment of \$100 on July 23, 2021.

The performance graph and table are not intended to be indicative of future performance. The performance graph and table shall not be deemed "soliciting material" or to be "filed" with the SEC for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any of the Company's filings under the Securities Act.

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Indexed Returns Quarters Ended														
Indexed Returns Years Ended														
Indexed Returns Years Ended														
Indexed Returns Years Ended														
		January					October			January				
		July 23,	August	October	30,	May 1,	July 31,	30,	29,		July 23,	January	January	January
Company/Index	Company/Index	2021	1, 2021	31, 2021	2022	2022	2022	2022	2023	Company/Index	2021	30, 2022	29, 2023	28, 2024
Core & Main ⁽¹⁾	Core & Main ⁽¹⁾	\$100.00	\$111.81	\$115.44	\$ 98.95	\$100.25	\$101.86	\$ 99.41	\$ 91.43					
S&P 500 Index	S&P 500 Index	100.00	99.63	104.39	100.45	93.66	93.62	88.42	92.27					
Russell 2000 Index	Russell 2000 Index	100.00	100.75	103.96	89.07	84.36	85.32	83.58	86.51					
S&P MidCap 400 Industrials Index	S&P MidCap 400 Industrials Index	100.00	101.33	105.17	96.77	91.52	95.11	93.99	102.27					

(1) For the July 23, 2021 initial investment in Core & Main, we utilized the closing market price of \$23.70.

Issuer Purchases of Equity Securities

The following is a summary of our repurchases of shares of Class A common stock during the fiscal quarter ended **January 29, 2023** **January 28, 2024**:

Period	Total Number of Shares (or Units) Purchased ⁽¹⁾	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) or Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
October 31, 2022 - November 30, 2022	366	\$ 23.00	N/A	N/A
December 1, 2022 -December 31, 2022	—	—	N/A	N/A
January 1, 2023 - January 29, 2023	3,793	21.42	N/A	N/A
	4,159	\$ 21.56	—	—

Period	Total Number of Shares (or Units) Purchased ⁽¹⁾	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) or Shares (or Units) that May Yet Be Purchased Under the Plans or Programs
October 30, 2023 - November 30, 2023 ⁽¹⁾⁽²⁾	3,133,012	\$ 30.45	N/A	N/A

December 1, 2023 -December 31, 2023 ⁽¹⁾⁽³⁾	3,140,097	35.54	N/A	N/A
January 1, 2024 - January 28, 2024 ⁽¹⁾⁽⁴⁾	6,256,112	39.55	N/A	N/A
	12,529,221	\$ 36.27	—	—

(1) The Reflects repurchases by the Company of shares of our Class A common stock during fiscal 2022 were pursuant to employee tax withholding obligations and strike price settlement upon exercise of unit appreciation rights and vesting of restricted stock units pursuant to terms of the Company's 2021 Omnibus Equity Incentive Plan, Plan, except for the transactions described in footnotes (2), (3) and (4) below.

(2) Includes the repurchase by the Company of 3,125,728 shares of our Class A common stock for a price per share of \$30.440 on November 9, 2023 in connection with the Repurchase Transactions (as defined elsewhere in this Annual Report on Form 10-K). The Company also repurchased 1,874,272 shares of our Class B common stock in connection with the repurchase transaction completed on November 9, 2023 for no additional consideration.

(3) Includes the repurchase by the Company of 3,125,728 shares of our Class A common stock for a price per share of \$35.540 on December 11, 2023 in connection with the Repurchase Transactions. The Company also repurchased 1,874,272 shares of our Class B common stock in connection with the repurchase transaction completed on December 11, 2023 for no additional consideration.

(4) Includes the repurchase by the Company of 3,125,728 shares of our Class A common stock for a price per share of \$38.120 on January 10, 2024 and 3,125,728 shares of our Class A common stock for a price per share of \$40.985 on January 25, 2024 in connection with the Repurchase Transactions. The Company also repurchased 1,874,272 shares and 1,874,272 shares of our Class B common stock on January 10, 2024 and January 25, 2024, respectively, in connection with the repurchase transactions completed on January 10, 2024 and January 25, 2024 for no additional consideration.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following information should be read in conjunction with the consolidated financial statements included elsewhere in this Annual Report on Form 10-K. The following discussion may contain forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed below and elsewhere in this Annual Report on Form 10-K for a number of important factors, particularly those described under the caption "Cautionary Note Regarding Forward-Looking Statements."

Overview

Core & Main is a leader in advancing reliable infrastructure with local service, nationwide. As a leading specialized specialty distributor with a focus on water, wastewater, storm drainage and fire protection products, and related services, we provide solutions to municipalities, private water companies and professional contractors across municipal, non-residential and residential end markets, nationwide. Our specialty products and services are used primarily in the maintenance, repair, replacement and new construction of water, wastewater, storm drainage and fire protection infrastructure. We reach customers through a nationwide network of approximately 320 335 branches across 48 states. Our products include pipes, valves, fittings, storm drainage products, fire protection products, meter products and other products for use in the construction, maintenance and repair of water and wastewater systems as well as fire protection infrastructure systems. We complement our core products through additional offerings, including smart meter systems, fusible HDPE piping solutions, specifically engineered treatment plant products and geosynthetics and erosion control products. Our services and capabilities allow for integration with customers and form part of their sourcing and procurement function.

Basis of Presentation

The Company is a holding company and its primary material asset is assets are its direct and indirect ownership interest in Holdings. Holdings and deferred tax assets associated with this ownership. Holdings has no operations and no material assets of its own other than its indirect ownership interest in Core & Main LP, a Florida limited partnership, the legal entity that conducts the operations of Core & Main. Because Core & Main is the general partner of Holdings, it operates and controls all of the business and affairs of Holdings and, through Holdings and its subsidiaries, conducts our business. Accordingly, the consolidated financial information of Core & Main presented herein, including the accompanying audited consolidated financial statements included in this Annual Report on Form 10-K, includes the consolidated financial information of Holdings and its subsidiaries. The Partnership Interests in Holdings held by the Continuing Limited Partners is reflected as non-controlling interests in Core & Main's consolidated financial statements.

As the Reorganization Transactions (as defined in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K) are accounted for as transactions between entities under common control, the financial statements for the periods prior to our IPO and Reorganization Transactions have been adjusted to combine previously separate entities for presentation purposes. These entities include Core & Main, Holdings and its consolidated subsidiaries and the Blocker Companies (as defined in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K). Prior to the Reorganization Transactions, Core & Main had no operations.

Fiscal Year

Our fiscal year is a 52- or 53-week period ending on the Sunday nearest to January 31st. Quarters within the fiscal year include 13-week periods, unless a fiscal year includes a 53rd week, in which case the fourth quarter of the fiscal year will be a 14-week period. The fiscal years ended January 29, 2023 January 28, 2024, January 30, 2022 January 29, 2023 and January 31, 2021 January 30, 2022 included 52 weeks. The next fiscal year ending January 28, 2024 February 2, 2025 ("fiscal 2023" 2024") will also include 52 53 weeks.

Initial Public Offering Significant Events During Fiscal 2023

Secondary Offerings and Secondary Offerings Repurchase Transactions

On July 27, 2021, we completed our initial During fiscal 2023, secondary public offering of 34,883,721 shares offerings of Class A common stock at a price to the public of \$20.00 per share. We received net proceeds of approximately \$664 million, after deducting underwriting discounts and commissions. All of the net proceeds from the IPO, less \$8 million of transaction costs directly attributable to the IPO, were utilized to purchase 34,883,721 newly issued Partnership Interests of Holdings for approximately \$656 million in the aggregate. In turn, Holdings and Core & Main LP utilized the net proceeds of the IPO directly or indirectly received from Core & Main, together with the net proceeds from borrowings under the Senior Term Loan Facility (as defined in Note 6 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K) and cash on hand to undertake the Refinancing Transactions (as defined in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K).

On August 20, 2021, we issued 5,232,558 shares of Class A common stock at the initial public offering price of \$20.00 per share and we received net proceeds of approximately \$100 million after deducting underwriting discounts and commissions as part of the IPO Overallotment Option Exercise (as defined in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K).

On January 10, 2022 and September 19, 2022 secondary public offerings of 20,000,000 and 11,000,000 shares, respectively, of Class A common stock completed by certain selling stockholders affiliated with Clayton, Dubilier & Rice, LLC CD&R (the "Selling Stockholders") were completed at a price As part of the secondary public offerings the Selling Stockholders sold to the public (i) existing shares of \$26.00 per share our Class A common stock and \$23.75 per share, respectively. (ii) shares of Class A common stock received in exchange for an equal number of Partnership Interests, together with the retirement of a corresponding number of shares of our Class B common stock. Below is a summary of the secondary public offerings completed during fiscal 2023 (the "Secondary Offerings").

Secondary Offering Date	Existing Shares of Class A Common Stock Sold to the Public	Partnership Interests Exchanged for Class A Common Stock Prior to Sale to the Public	Shares of Class A Common Stock Sold to the Public	Price Per Share
January 25, 2024	12,366,683	7,415,404	19,782,087	\$40.985
January 10, 2024 ⁽¹⁾	12,084,902	7,465,098	19,550,000	\$38.120
December 11, 2023 ⁽¹⁾	10,783,760	6,466,240	17,250,000	\$35.540
November 9, 2023 ⁽¹⁾	13,659,431	8,190,569	21,850,000	\$30.440
September 19, 2023	11,252,620	6,747,380	18,000,000	\$29.015
June 12, 2023	8,752,038	5,247,962	14,000,000	\$28.215
April 14, 2023	3,125,728	1,874,272	5,000,000	\$22.151

(1) Includes shares of Class A common stock purchased by the underwriter, pursuant to the exercise in full of the option granted in connection with the secondary public offering.

The Company did not receive any of the proceeds from the sales. Secondary Offerings. The Company paid the costs associated with the sale of shares by the Selling Stockholders in the Secondary Offerings, other than underwriting discounts and commissions.

Concurrently with the completion of the Secondary Offerings completed in fiscal 2023, (i) the Company repurchased from the Selling Stockholders shares of our Class A common stock, and Holdings redeemed from the Company a corresponding number of Partnership Interests, and (ii) Holdings redeemed from one of the Selling Stockholders Partnership Interests; with the Company repurchasing a corresponding number of shares of our Class B common stock from such Selling Stockholder for no additional consideration. Below is a summary of the repurchase transactions completed during fiscal 2023 (the "Repurchase Transactions").

Repurchase Transaction Date	Shares of Class A Common Stock Repurchased	Partnership Interests Redeemed	Total Repurchase Amount	Price Per Share/Partnership Interest	Total Consideration Paid (in millions)
January 25, 2024	3,125,728	1,874,272	5,000,000	\$40.985	\$205
January 10, 2024	3,125,728	1,874,272	5,000,000	\$38.120	\$191
December 11, 2023	3,125,728	1,874,272	5,000,000	\$35.540	\$178
November 9, 2023	3,125,728	1,874,272	5,000,000	\$30.440	\$152
September 19, 2023	3,125,728	1,874,272	5,000,000	\$29.015	\$145
June 12, 2023	3,125,728	1,874,272	5,000,000	\$28.215	\$141
April 14, 2023	9,377,183	5,622,817	15,000,000	\$22.151	\$332

As a result of these transactions, as of January 25, 2024, the Selling Stockholders no longer held any shares of our Class A common stock or our Class B common stock. For a further description of the IPO and Secondary Offerings see and the Repurchase Transactions, refer to Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Reorganization Transactions

To facilitate the completion of the IPO, we completed legal reorganization transactions which are described in Note 1 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Key Factors Affecting Our Business

End-Markets and General Economic Conditions

Historically, demand for our products has been closely tied to municipal infrastructure spending, non-residential construction and residential construction in the U.S. We estimate that, based on fiscal 2022 2023 net sales, our exposure by end market was approximately 39% 42% municipal, 39% 38% non-residential and 22% 20% residential. Infrastructure spending and the non-residential and residential construction markets are subject to cyclical market pressures. Municipal demand has been relatively steady over the long term due to the consistent and immediate need to replace broken infrastructure; however, activity levels are subject to the availability of funding for municipal projects. Non-residential and residential construction activities are primarily driven by availability of credit, interest rates, general economic conditions, consumer confidence and other factors that are beyond our control. The length and magnitude of these cycles have varied over time and by market. Cyclicalty can also have an impact on the products we procure for our customers or our related services, as further discussed under "—Price Fluctuations" below. During Interest rate increases in fiscal 2022 interest rate increases and fiscal 2023 slowed home buying and new lot development, which was a contributing factor to a decline in the residential end market in the fourth quarter of fiscal 2022 compared with the comparable prior year period. year.

In November 2021, the IIJA was signed into law, which includes \$55 billion to invest in water infrastructure across the United States, U.S. In the coming years, including as a result of the IIJA, we expect increased federal infrastructure investment to have a core focus on the upgrade, repair and replacement of municipal waterworks systems and to address demographic shifts and serve the growing population. We believe these dynamics, coupled with expanding municipal budgets, create the backdrop for a favorable funding environment and accelerated investment in projects that will benefit our business.

In August 2022, the Inflation Reduction Act of 2022 (the "Inflation Reduction Act") was signed into law, which includes a 15% book-income alternative minimum tax on corporations with average applicable financial statement income over \$1 billion for any consecutive 3-year period ending in 2022 or later and a 1% excise tax on the fair market value of stock that is repurchased by publicly traded U.S. corporations or their specified affiliates. The alternative minimum tax and the excise tax are effective in taxable years beginning after December 31, 2022. Currently, we do not qualify for the alternative minimum tax. As part of our approach to our capital allocation, we will evaluate any impact related to the excise tax on stock repurchases by the Company.

Seasonality

Our operating results within a fiscal year are typically impacted by seasonality. Although weather patterns affect our operating results throughout the year, colder weather and shorter daylight hours historically have reduced construction, maintenance and repair activity. As a result, net sales are typically lower in our first and fourth fiscal quarters, especially in northern geographic regions. Abnormal levels of precipitation may negatively impact our operating results as it may result in the delay of construction projects. Our operating results may also be adversely affected by hurricanes, which typically occur during our third fiscal quarter. Our cash flows from operating activities are typically lower during the first and second fiscal quarters due to investment in working capital and annual incentive compensation payments and are typically higher during the third and fourth fiscal quarters due to cash inflows associated with receivable collections and reduced inventory purchases. During the fourth quarter of fiscal 2021, we experienced a period where customers accelerated certain orders due to product availability constraints and inflation, diverging from typical seasonality trends.

Price Fluctuations

Our financial performance is impacted by price fluctuations in the cost to procure substantially all the products we sell and our ability to reflect these changes, in a timely manner, in our customer pricing.

The cost costs to procure the products we sell are historically volatile and subject to fluctuations arising from changes in supply and demand, national and international economic conditions, labor and material costs, competition, market speculation, government regulation, weather events, trade policies and periodic delays in the delivery of our products. If we are able to pass through price increases to our customers, our net sales will increase; conversely, during periods of deflation, our customer pricing may decrease to remain competitive, resulting in decreased net sales. During fiscal 2022 and fiscal 2021, we experienced supply chain disruption that contributed to significant price inflation and product surcharges in with respect of to certain of our products we sell as well as other product categories, and sell. The supply chain which we expect to continue to experience in the near-term and have sought to mitigate through inventory management, effective sourcing and customer pricing. Over the course of fiscal 2022 and fiscal 2021, we experienced increasing pressure on our supply chain disruption was due to several factors, including, but not limited to, unpredictable lead times and delays from our suppliers, labor availability, global logistics and the availability of raw materials, in part due to the impact of COVID-19 on the global economy and the conflict in Ukraine that limited product availability and further exacerbated the effects of inflation. Depending on In fiscal 2023, we saw improvements in the ultimate scope supply chain and duration of more predictable lead times for certain products, but for other products the supply chain remained constrained. This led to price stability in fiscal 2023 compared to the price inflation we experienced during fiscal 2022 and fiscal 2021. Additional supply chain disruptions we may experience result in increases in product costs which we may not be able to pass on to our customers, loss of sales due to lack of product availability or potential customer claims from the inability to provide products in accordance with contractual terms. Greater product availability from supply chain improvements may lead to increased competition that may result in price and volume declines. We continue to proactively monitor the situation and our supply chain and assess further possible implications to our business. For example, access to certain meter products that we sell is dependent on the ability of our suppliers to obtain technology components, including semi-conductor chips. The global supply shortage of technology components has impacted various industries and companies, including us, and there is no certainty as to when availability will return to historic levels. For fiscal 2023, we expect recent year-over-year growth rates to moderate as we anniversary the effects of inflation in fiscal 2022. As we have experienced significant inflation over a relatively short period, there is increased risk that we may experience a higher level of deflation or substantially lower net sales growth than in recent periods, particularly as a result of greater product availability for certain suppliers and product lines, resulting price impacts.

We are also exposed to fluctuations in costs for petroleum as we distribute a substantial portion of our products by truck. Petroleum prices have fluctuated as a result of the conflict in Ukraine and other factors. In addition, we are exposed to fluctuations in prices for imported products due to logistical challenges and changes in labor, fuel, shipping container and other importation-related costs. We may also face price fluctuations on other products due to constrained labor availability and manufacturing capacity of our suppliers. Our ability to reflect these changes, in a timely manner, in our customer pricing may impact our financial performance.

Interest Rates

Certain of our indebtedness, including borrowings under the 2028 Senior Term Loan Facility and the Senior ABL Credit Facility, are subject to variable rates of interest and expose us to interest rate risk. The 2028 Senior Term Loan Facility and the Senior ABL Credit Facility each bear interest based on term secured overnight financing rate ("Term SOFR, SOFR"). If interest rates further increase, our debt service obligations on our variable-rate indebtedness will further increase and our net income would decrease, even though the amount borrowed under the facilities remains the same. As of January 29, 2023 January 28, 2024, we had \$1,478 million \$1,893 million of outstanding variable-rate debt. On February 9, 2024, Core & Main LP incurred \$750 million of incremental outstanding variable-rate debt in the form of the 2031 Senior Term Loan. We seek to mitigate our exposure to interest rate volatility through the entry into interest rate swap instruments, such as our current interest rate swap, associated with borrowings under the 2028 Senior Term Loan, Facility, which effectively converts \$1,000 million \$900 million of our variable rate debt to fixed rate debt, with notional amount decreases to \$900 million on July 27, 2023, \$800 million on July 27, 2024, and \$700 million on July 27, 2025 through the instrument maturity on July 27, 2026. On February 12, 2024, Core & Main LP entered into an interest rate swap that has a starting notional amount of \$750 million that increases to \$1,500 million on July 27, 2026 through the instrument maturity on July 27, 2028. Despite these efforts, unfavorable movement in interest rates may further result in higher interest expense and cash payments.

Acquisitions

In addition to our organic growth strategy, we opportunistically pursue strategic asset and business acquisitions to grow our business. Below is a summary of the acquisitions that closed in fiscal 2023, fiscal 2022 and fiscal 2021 and fiscal 2020 and the related with an aggregate transaction value (in each case, excluding of \$244 million, \$124 million and \$174 million, subject to working capital adjustments, respectively. In fiscal 2024, the Company acquired all of the outstanding shares of Dana Kepner Company LLC and other

purchase price adjustments, unless otherwise noted), associated entities and acquired certain assets and assumed certain liabilities of Eastern Supply Inc. and a related entity as further described in Note 15 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Name	Product Lines	Closing Date		
Fiscal 2023				
Transaction Value	Pipes, Valves & Fittings; Storm Drainage; Meter products	January 2024		
(in millions) Lee Supply Company Inc. ("Lee Supply")				
Granite Water Works Inc. ("Granite Water Works")	Pipes, Valves & Fittings; Storm Drainage; Meter products	December 2023		
Enviroscape ECM, Ltd. ("Enviroscape")	Storm Drainage	November 2023		
J.W. D'Angelo Co. ("D'Angelo")	Pipes, Valves & Fittings; Fire Protection; Storm Drainage	July 2023		
Foster Supply, Inc. ("Foster Supply")	Pipes, Valves & Fittings; Storm Drainage	July 2023		
Midwest Pipe Supply Inc. ("Midwest Pipe")	Pipes, Valves & Fittings; Storm Drainage	April 2023		
UPSCO, Inc. ("UPSCO")	Pipes, Valves & Fittings; Meter products	April 2023		
Landscape & Construction Supplies LLC ("LCS")	Storm Drainage	March 2023		
Fiscal 2022				
Lanier Municipal Supply ("Lanier")	Pipes, Valves & Fittings; Storm Drainage	December 2022		
Distributors, Inc. ("Distributors")	Fire Protection	October 2022		
Trumbull Industries, Inc. ("Trumbull")	Pipes, Valves & Fittings	October 2022		
Inland Water Works Supply Co. ("Inland")	\$45 Pipes, Valves & Fittings; Storm Drainage	August 2022		
Earthsavers Erosion Control, LLC ("Earthsavers")	Storm Drainage	June 2022		25
Other 2022 Acquisitions Lock City Supply, Inc. ("Lock City")	Pipes, Valves & Fittings; Storm Drainage; Meter products	May 2022		
Dodson Engineered Products, Inc. ("Dodson")	Pipes, Valves & Fittings; Storm Drainage; Meter products	March 2022		
Fiscal 2021				
Catalone Pipe & Supply ("Catalone")	Pipes, Valves & Fittings	Various November 2021		
CES Industrial Piping Supply ("CES")	Pipes, Valves & Fittings	54 October 2021		
L&M Bag & Supply Co., Inc. ("L&M")	Storm Drainage	August 2021		60
Pacific Pipe Company, Inc. ("Pacific Pipe")	Pipes, Valves & Fittings; Storm Drainage	August 2021		103
Other 2021 Acquisitions Triple T Pipe & Supply, LLC ("Triple T")	Pipes, Valves & Fittings	Various		11
Water Works Supply Co.	Pipes, Valves & Fittings; Storm Drainage	August 2020		12
R&B Co. ("R&B")	Pipes, Valves & Fittings; Storm Drainage	March 2020		2152021

As we integrate these and other acquisitions into our existing operations, we may not be able to identify the specific financial statement impacts associated with these acquisitions. There can be no assurance that the anticipated benefits of the acquisitions will be realized on the timeline we expect, or at all.

Key Business Metrics

Net Sales

We generate net sales primarily from the sale of water, wastewater, storm drainage and fire protection products and the provision of related services to approximately over 60,000 customers, as of January 29, 2023 January 28, 2024, including municipalities, private water companies and professional contractors. We recognize sales, net of sales tax, customer incentives, returns and discounts. Net sales fluctuate as a result of changes in product costs as we seek to reflect these changes in our customer pricing in a timely manner. This will increase net sales if we are able to pass along price increases and decrease net sales if we are required to reduce our customer prices as a result of competitive dynamics.

We categorize our net sales into pipes, valves & fittings, storm drainage products, fire protection products and meter products:

- Pipe, valves, hydrants, fittings include these products and other complementary products and services. Pipe includes PVC, ductile iron, fusible HDPE steel and copper tubing.
- Storm drainage products primarily include corrugated piping systems, retention basins, manholes, grates, geosynthetics, erosion control and other related products.
- Fire protection products primarily include fire protection pipe, sprinkler heads and devices as well as custom fabrication services.

- Meter products primarily include smart meter products, meter sets, meter accessories, installation, software and other services.

Gross Profit

Gross profit represents the difference between the product cost inclusive of material costs from suppliers (net of earned rebates and discounts and including the cost of inbound freight), labor and overhead costs and depreciation and the net sale price to our customers. Gross profit may be impacted by the time between changes in supplier costs, tariffs and changes in our customer pricing. Gross profit may not be comparable to those of other companies, as other companies may include all of the costs related to their distribution network in cost of sales.

Operating Expenses

Operating expenses are primarily comprised of selling, general and administrative costs, which include personnel expenses (salaries, wages, incentive compensation, associate benefits and payroll taxes), rent, insurance, utilities, professional fees, outbound freight, out, fuel and repair and maintenance.

Net Income

Net income represents our net sales less our cost of sales, operating expenses, depreciation and amortization, interest expense, other expense and our the provision for income taxes.

Net Income Attributable to Core & Main, Inc.

Net income attributable to Core & Main, Inc. represents net income less income attributable to non-controlling interests. Non-controlling interests represent owners of Partnership Interests of Holdings other than Core & Main.

Adjusted EBITDA

We define Adjusted EBITDA as EBITDA further adjusted for certain items management believes are not reflective of the underlying operations of our business, including but not limited to (a) loss on debt modification and extinguishment, (b) equity-based compensation, (c) expenses associated with the IPO and subsequent secondary public offerings and (d) expenses associated with acquisition activities. Adjusted EBITDA includes amounts otherwise attributable to non-controlling interests as we manage the consolidated company Company and evaluate operating performance in a similar manner. We use Adjusted EBITDA to assess the operating results and effectiveness of our business. See “Non-GAAP Financial Measures” below for further discussion of Adjusted EBITDA and a reconciliation to net income or net income attributable to Core & Main, Inc., the most directly comparable measure under U.S. generally accepted accounting principles (“GAAP”), as applicable.

Earnings Per Share

Earnings per share represents the Class A common stock basic and diluted earnings per share. For a further description of basic and diluted earnings per share, refer to Note 12 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Results of Operations

Fiscal Year Ended January 29, 2023 January 28, 2024 Compared with Fiscal Year Ended January 30, 2022 January 29, 2023

Amounts in millions (except per share data)

Fiscal Years Ended		Fiscal Years Ended	
January 28, 2024		January 29, 2023	
	Fiscal Years Ended		
	January 29, 2023	January 30, 2022	
	(dollars in millions)		
Net sales			
Net sales			
Net sales	Net sales	\$ 6,651	\$ 5,004
Cost of sales	Cost of sales	4,856	3,724
Gross profit	Gross profit	1,795	1,280
Operating expenses:	Operating expenses:		
Selling, general and administrative	Selling, general and administrative	880	717
Selling, general and administrative			
Selling, general and administrative			

Depreciation and amortization	Depreciation and amortization	140	138
Total operating expenses	Total operating expenses	1,020	855
Operating income	Operating income	775	425
Interest expense	Interest expense	66	98
Loss on debt modification and extinguishment		—	51
Income before provision for income taxes			
Income before provision for income taxes			
Income before provision for income taxes	Income before provision for income taxes	709	276
Provision for income taxes	Provision for income taxes	128	51
Net income	Net income	581	225
Less: net income attributable to non-controlling interests	Less: net income attributable to non-controlling interests	215	59
Net income attributable to Core & Main, Inc.	Net income attributable to Core & Main, Inc.	\$ 366	\$ 166
Earnings per share:	Earnings per share:		
Basic	Basic	\$ 2.16	\$ 0.57
Basic			
Basic			
Diluted	Diluted	\$ 2.13	\$ 0.55
Non-GAAP Financial Data:	Non-GAAP Financial Data:		
Adjusted EBITDA	Adjusted EBITDA	\$ 935	\$ 604
Adjusted EBITDA			
Adjusted EBITDA			

Net Sales

Net sales for fiscal 2022 2023 increased \$1,647 million \$51 million, or 32.9% 0.8%, to \$6,651 million \$6,702 million compared with \$5,004 million \$6,651 million for fiscal 2021 2022. The increase in net sales was primarily attributable to higher selling prices volume growth and acquisitions with higher selling prices representing approximately three-fourths of the net sales increase. The partially offset by a reduction in volume increases were driven by market volume growth and share gains in part due to preferred access to products during a period of material shortages, which helped drive growth across all product lines, and execution of our sales initiatives, from comparably lower end-market volumes. Net sales growth declines for pipes, valves & fittings were due to lower end-market volumes partially offset by higher selling prices and acquisitions. Net sales growth for storm drainage products benefited from higher selling prices, end-market volume growth and acquisitions. Net sales growth for fire protection products also benefited from higher declined due to lower selling prices share gains and end-market growth. lower volume partially offset by acquisitions. Net sales of meter products benefited from higher selling prices, higher volumes due to an increasing adoption of smart meter technology by municipalities, acquisitions and an improving supply chain.

Fiscal Years Ended

January
28,
2024

January 28, 2024		January 29, 2023		Percentage Change	
January 28, 2024		January 29, 2023		Percentage Change	
Fiscal Years Ended		Fiscal Years Ended		Percentage Change	
January 29, 2023		January 30, 2022		Percentage Change	
(dollars in millions)		(dollars in millions)		(dollars in millions)	
Pipes, valves & fittings products					
Pipes, valves & fittings products					
Pipes, valves & fittings products	\$ 4,548	\$ 3,361		35.3	%
Pipes, valves & fittings products			\$ 4,504		
Pipes, valves & fittings products			\$ 4,548		
Pipes, valves & fittings products				(1.0)	%
Pipes, valves & fittings products				(1.0)	%
Storm drainage products	949	687	985	949	3.8
Storm drainage products					3.8
Storm drainage products					3.8
Fire protection products	701	565	688	701	(1.9)
Fire protection products					(1.9)
Fire protection products					(1.9)
Meter products	453	391	525	453	15.9
Meter products					15.9
Meter products					15.9
Total net sales	\$ 6,651	\$ 5,004	\$ 6,702	\$ 6,651	0.8
Total net sales					0.8
Total net sales					0.8

Gross Profit

Gross profit for fiscal 2022 2023 increased \$515 million \$23 million, or 40.2% 1.3%, to \$1,795 million \$1,818 million compared with \$1,280 million \$1,795 million for fiscal 2021 2022. The Gross profit increased due to an increase in net sales contributed and an additional \$422 million of gross profit and the increase in gross profit as a percentage of net sales contributed \$93 million. sales. Gross profit as a percentage of net sales for fiscal 2022 2023 was 27.0% 27.1% compared with 25.6% 27.0% for fiscal 2021 2022. The overall increase in gross profit as a percentage of net sales was primarily attributable to strategic inventory investments ahead of announced price increases, a favorable pricing environment, the execution of our gross margin initiatives and accretive acquisitions, partially offset by normalization of larger prior year benefits from strategic inventory investments during an inflationary environment.

Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses for fiscal 2022 2023 increased \$163 million \$51 million, or 22.7% 5.8%, to \$880 million \$931 million compared with \$717 million \$880 million during fiscal 2021 2022. The increase was primarily attributable to an increase of \$127 million \$23 million in personnel expenses which was primarily driven by along with higher variable compensation facility and distribution costs and increased headcount. In addition, distribution and facility costs increased due related to volume, inflation and acquisitions. These factors were partially offset by a \$14 million decrease related to equity-based compensation expense due to accounting for a modification to equity awards in the prior year period. SG&A expenses as a percentage of net sales was 13.9% for fiscal 2023 compared with 13.2% for fiscal 2022 compared with 14.3% for fiscal 2021. 2022. The decrease increase was primarily attributable to our ability inflationary costs impacts, investments to leverage our fixed costs support growth and lower equity-based compensation expense during fiscal 2022, acquisitions with relatively higher SG&A rates.

Depreciation and Amortization Expense

Depreciation and amortization ("D&A") expense for fiscal 2022 2023 was \$140 million \$147 million compared with \$138 million \$140 million during fiscal 2021 2022. The increase primarily was attributable to amortization related to recent acquisitions partially offset by lower amortization on existing customer relationship intangible assets.

Operating Income

Operating income for fiscal 2022 2023 increased \$350 million decreased \$35 million, or 82.4% 4.5%, to \$775 million \$740 million compared with \$425 million \$775 million during fiscal 2021 2022. The increase decrease in operating income was attributable to higher net sales and gross profit, primarily from higher selling prices, volume growth and acquisitions, and lower equity-based compensation SG&A expense in fiscal 2022. These factors were partially offset by higher variable compensation costs and higher personnel expenses and facility costs due to increased headcount and facilities from acquisitions, gross profit.

Interest Expense

Interest expense was \$81 million for fiscal 2023 compared with \$66 million for fiscal 2022 compared with \$98 million for fiscal 2021. The decrease increase was primarily attributable to the redemption of the Senior 2024 Notes and the Senior 2025 Notes (each as defined in Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K) completed on July 27, 2021, partially offset by borrowings on the Senior ABL Credit Facility and an increase in interest rates on our variable-rate debt.

Loss debt and higher borrowings on Debt Modification and Extinguishment

For fiscal 2021, we recognized a loss on debt modification and extinguishment of \$51 million. The loss on debt modification and extinguishment included (i) a write-off of \$8 million in deferred financing fees associated with the redemption of the Senior 2024 Notes, (ii) a write-off of \$13 million in deferred financing fees associated with the redemption of the Senior 2025 Notes, (iii) a write-off of \$5 million in deferred financing fees associated with the settlement of the Prior Term Loan Facility, (iv) redemption premiums of \$6 million and \$12 million for the Senior 2024 Notes and Senior 2025 Notes, respectively, (v) the settlement of the cash flow interest rate swap of \$5 million, and (vi) third-party expenses for the Senior Term Loan Facility of \$2 million. ABL Credit Facility.

Provision for Income Taxes

The provision for income taxes for fiscal 2022 2023 increased \$77 million to \$128 million compared with \$51 million for and fiscal 2021 due to increased income before provision for income taxes 2022 was \$128 million. in each period. For fiscal 2022 2023 and fiscal 2021 2022, our effective tax rates were 18.1% 19.4% and 18.5% 18.1%, respectively. The effective tax rate for each period reflects only the portion of net income that is attributable to taxable entities. The lower increase in the effective tax rate is was attributable to lower permanent differences and fixed tax amounts coupled with higher exchanges of Partnership Interests by non-controlling interest holders that increased the allocation of net income before provision for income taxes in fiscal 2022. to taxable entities.

Net Income

Net income for fiscal 2022 2023 increased \$356 million decreased \$50 million, or 158.2% 8.6%, to \$581 million \$531 million compared with \$225 million \$581 million for fiscal 2021 2022. The increase decrease in net income was primarily attributable to higher a decrease in operating income the \$51 million loss on debt modification and extinguishment and equity award modification expense, both of which occurred in fiscal 2021, and lower higher interest expense, partially offset by increased income taxes. expense.

Net Income Attributable to Non-controlling Interests

Net income attributable to non-controlling interests for fiscal 2022 2023 was \$215 million decreased \$55 million, or 25.6%, to \$160 million compared with \$59 million \$215 million for fiscal 2021 due 2022. The decrease was attributable to increased net income. For fiscal 2021, the allocation of Holdings' net income to holders exchanges of Partnership Interests other than Core & Main is for the period from July 23, 2021 through January 30, 2022, which was partially offset by Core & Main's share of the \$51 million loss on debt modification non-controlling interest holders and extinguishment that occurred on July 27, 2021. an 8.6% decline in net income.

Net Income Attributable to Core & Main, Inc.

Net income attributable to Core & Main, Inc. for fiscal 2022 2023 was \$366 million increased \$5 million, or 1.4%, to \$371 million compared with \$166 million \$366 million for fiscal 2021 2022. The increase was primarily attributable to a decreased allocation to non-controlling interest holders following exchanges of Partnership Interests partially offset by an due to increased 8.6% decline in net income. For fiscal 2021, the allocation of Holdings' net income to Core & Main, Inc. includes net income of Holdings for the period from February 1, 2021 to July 22, 2021.

Earnings Per Share

The Class A common stock basic earnings per share and for fiscal 2023 decreased 0.5% to \$2.15 compared with \$2.16 for fiscal 2022. The Class A common stock diluted earnings per share for fiscal 2022 2023 in were \$2.16 and creased 0.9% to \$2.15 compared with \$2.13 respectively, for fiscal 2022. The Class A common stock decrease in basic earnings per share and diluted earnings per share for fiscal 2021 represent the period from July 23, 2021 through January 30, 2022, the period following the Reorganization Transactions. The was attributable to higher Class A common stock basic earnings per share and diluted earnings per share for the period counts from July 23, 2021 through January 30, 2022 were \$0.57 and \$0.55, respectively. The exchanges of Partnership Interests partially offset by an increase in net income attributable to Core & Main, Inc. for Diluted earnings per share increased due to lower share counts following the period from July 23, 2021 through January 30, 2022 was Repurchase Transactions partially offset by Core & Main's share of the \$51 million loss on debt modification and extinguishment that occurred on July 27, 2021. a decline in net income.

Adjusted EBITDA

Adjusted EBITDA for fiscal 2022 2023 increased \$331 million decreased \$25 million, or 54.8% 2.7%, to \$935 million \$910 million compared with \$604 million \$935 million for fiscal 2021 2022. Growth The decrease in Adjusted EBITDA was primarily attributable to higher net sales, improved SG&A expenses partially offset by higher gross profit margins, and leveraging our cost structure on the increase in net sales. profit. For a reconciliation of Adjusted EBITDA to net income or net income attributable to Core & Main, Inc., the most comparable GAAP financial metric, as applicable, see "—Non-GAAP Financial Measures." Measures" below.

Fiscal Year Ended January 30, 2022 January 29, 2023 Compared with Fiscal Year Ended January 31, 2021 January 30, 2022

	Fiscal Years Ended	
	January 30, 2022	January 31, 2021
	(dollars in millions)	
Net sales	\$ 5,004	\$ 3,642
Cost of sales	3,724	2,764
Gross profit	1,280	878
Operating expenses:		
Selling, general and administrative	717	556
Depreciation and amortization	138	137
Total operating expenses	855	693
Operating income	425	185
Interest expense	98	139

Loss on debt modification and extinguishment	51	—
Income before provision for income taxes	276	46
Provision for income taxes	51	9
Net income	225	\$ 37
Less: net income attributable to non-controlling interests	59	
Net income attributable to Core & Main, Inc.	\$ 166	
Earnings per share:		
Basic	\$ 0.57	
Diluted	\$ 0.55	
Non-GAAP Financial Data:		
Adjusted EBITDA	\$ 604	\$ 342

Net Sales

Net sales for A discussion of changes in our financial condition and results of operations during the fiscal 2021 increased \$1,362 million year ended January 29, 2023, or 37.4%, to \$5,004 million compared with \$3,642 million for fiscal 2020. The increase in net sales was primarily attributable to higher average selling prices, representing approximately half of the net sales increase, strong market volume growth and share gains resulting from sales initiatives and preferred access to products during a period of material shortages, which helped drive growth across all product lines. Net sales growth for pipes, valves & fittings and storm drainage products benefited from end-market growth, acquisitions and higher average selling prices. Net sales growth for fire protection products also benefited from end-market growth and higher average selling prices. Net sales of meter products grew at a slower pace, relative to other product lines, primarily due to shortages of semi-conductor chips that are components of certain smart meter products.

	Fiscal Years Ended		Percentage Change
	January 30, 2022	January 31, 2021	
	(dollars in millions)		
Pipes, valves & fittings products	\$ 3,361	\$ 2,373	41.6 %
Storm drainage products	687	489	40.5 %
Fire protection products	565	414	36.5 %
Meter products	391	366	6.8 %
Total net sales	\$ 5,004	\$ 3,642	

Gross Profit

Gross profit for fiscal 2021 increased \$402 million, or 45.8%, to \$1,280 million compared with \$878 million for fiscal 2020. The increase in net sales contributed an additional \$328 million of gross profit and the increase in gross profit as a percentage of net sales contributed \$74 million. Gross profit as a percentage of net sales for fiscal 2021 was 25.6% compared with 24.1% for fiscal 2020. The overall increase in gross profit as a percentage of net sales was primarily attributable to strategic inventory investments ahead of announced price increases, a favorable pricing environment, the execution of our gross margin initiatives, achievement of growth based supplier incentives and accretive acquisitions.

Selling, General and Administrative Expenses

SG&A expenses for fiscal 2021 increased \$161 million, or 29.0%, to \$717 million compared with \$556 million during fiscal 2020. The increase was primarily attributable to an increase of \$101 million in personnel expenses, which was primarily driven by higher variable compensation costs and increased headcount, lower discretionary spending in response to COVID-19 in fiscal 2020, a volume driven increase in distribution costs and incremental costs from acquisitions. In addition, during fiscal 2021, SG&A expenses increased by \$21 million related to higher equity-based compensation expense, primarily due to accounting for equity awards, and \$5 million of other one-time costs in connection with the IPO and Secondary Offering. SG&A expenses as a percentage of net sales was 14.3% for fiscal 2021 compared with 15.3% for fiscal 2020. The decrease was attributable to our ability to leverage our fixed costs, partially offset by higher equity-based compensation.

Depreciation and Amortization Expense

D&A expense for fiscal 2021 was \$138 million compared with \$137 million during fiscal 2020. The increase primarily was attributable to amortization related to the Pacific Pipe and L&M acquisitions, partially offset by lower amortization on existing customer relationship intangible assets.

Operating Income

Operating income for fiscal 2021 was \$425 million compared with \$185 million during fiscal 2020. The increase in operating income was attributable to higher net sales and gross profit, primarily from volume growth, price inflation, and acquisitions. These factors were partially offset by higher SG&A expenses.

Interest Expense

Interest expense was \$98 million for fiscal 2021 compared with \$139 million during fiscal 2020. The decrease was attributable to the redemption of the Senior 2024 Notes, the redemption of the Senior 2025 Notes and lower interest rates on the Senior Term Loan Facility as compared to the Prior Term Loan Facility due to fiscal year ended January 30, 2022 has been omitted from this Annual Report on Form 10-K, but may be found in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the Refinancing Transactions completed on July 27, 2021.

Loss on Debt Modification and Extinguishment

For fiscal 2021 year ended January 29, 2023, we recognized a loss on debt modification and extinguishment of \$51 million. The loss on debt modification and extinguishment included (i) a write-off of \$8 million in deferred financing fees associated with the redemption of the Senior 2024 Notes, (ii) a write-off of \$13 million in deferred financing fees associated with the redemption of the Senior 2025 Notes, (iii) a write-off of \$5 million in deferred financing fees associated with the settlement of the Prior Term Loan Facility, (iv) redemption premiums of \$6 million and \$12 million for the Senior 2024 Notes and Senior 2025 Notes, respectively, (v) the settlement of the cash flow interest rate swap of \$5 million which had its changes in fair value previously attributed to accumulated other comprehensive loss, and (vi) third-party expenses for the Senior Term Loan Facility of \$2 million.

Provision for Income Taxes

The provision for income taxes for fiscal 2021 increased \$42 million to \$51 million compared with \$9 million for fiscal 2020. For fiscal 2021 and fiscal 2020, our effective tax rates were 18.5% and 19.6%, respectively. The effective tax rate for each period reflects only the portion of net income that is attributable to taxable entities (which are comprised of Core & Main following the Reorganization Transactions and the Blocker Companies before the Reorganization Transactions), the impact of certain permanent book-tax differences and incremental tax expense due to our legal entity structure. The effective tax rates in fiscal 2021 were lower than fiscal 2020 due to certain fixed tax expenses and permanent differences decreasing as a percentage of income before provision for income taxes.

Net Income

Net income for fiscal 2021 increased \$188 million to \$225 million compared with \$37 million for fiscal 2020. The increase in net income was primarily attributable to higher operating income and lower interest expense due to the Refinancing Transactions, partially offset by the \$51 million loss SEC on debt modification and an increase in income taxes.

Net Income Attributable to Non-controlling Interests

Net income attributable to non-controlling interests for fiscal 2021 was \$59 million. This represents the allocation of the Holdings' net income for the period from July 23, 2021 through January 30, 2022 March 28, 2023, which included discussion is incorporated herein by reference and which is available, free of charge, on the \$51 million loss SEC's website at www.sec.gov and on debt modification and extinguishment, to holders of Partnership Interests other than Core & Main.

Net Income Attributable to Core & Main, Inc.

Net income attributable to Core & Main, Inc. for fiscal 2021 was \$166 million. The net income attributable to Core & Main, Inc. includes the net income of Holdings for the period from February 1, 2021 to July 22, 2021.

Earnings Per Share

The Class A common stock basic earnings per share and diluted earnings per share for fiscal 2021 were \$0.57 and \$0.55, respectively. The Class A common stock basic earnings per share and diluted earnings per share were calculated for the period from July 23, 2021 through January 30, 2022, the period following the Reorganization Transactions, which included the \$51 million loss on debt modification and extinguishment.

Adjusted EBITDA

Adjusted EBITDA for fiscal 2021 increased \$262 million, or 76.6%, to \$604 million compared with \$342 million for fiscal 2020. Growth in Adjusted EBITDA was primarily attributable to higher net sales and improved gross profit margins. For a reconciliation of Adjusted EBITDA to net income or net income attributable to Core & Main, Inc., the most comparable GAAP financial metric, as applicable, see "—Non-GAAP Financial Measures." our website at www.coreandmain.com.

Liquidity and Capital Resources

Historically, we have financed our liquidity requirements through cash flows from operating activities, borrowings under our credit facilities, issuances of equity and debt securities and working capital management activities. Our principal historical liquidity requirements have been for working capital, capital expenditures, acquisitions, servicing indebtedness and servicing indebtedness, the Repurchase Transactions.

As of January 29, 2023 January 28, 2024, our cash and cash equivalents totaled \$177 million \$1 million. We maintain our cash deposits according to a banking policy that requires diversification across a variety of highly-rated financial institutions. However, this still results could result in a concentration of cash and cash equivalents across these financial institutions in excess of FDIC-insured Federal Deposit Insurance Corporation-insured limits.

On February 9, 2024, Core & Main LP amended the terms of the credit agreement governing the senior asset-based revolving credit facility in order to extend the maturity of the Senior ABL Credit Facility from July 27, 2026 to February 9, 2029.

On February 9, 2024, Core & Main LP entered into an incremental \$750 million term loan in conjunction with the 2031 Senior Term Loan, which matures on February 9, 2031. Proceeds of the 2031 Senior Term Loan were used or may be used in the future to, among other things, (a) repay total outstanding borrowings under the Senior ABL Credit Facility, (b) invest in organic growth and productivity initiatives, mergers and acquisitions, share repurchases or other initiatives aligned with Core & Main's capital allocation strategy and (c) pay related fees, premiums and expenses.

On February 12, 2024, Core & Main LP entered into an interest rate swap that has a starting notional amount of \$750 million that increases to \$1,500 million on July 27, 2026 through the instrument maturity on July 27, 2028. The instrument is intended to reduce the Company's exposure to variable interest rates under the 2031 Senior Term Loan.

Refer to Note 15 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for a description of the amendment to the Senior ABL Credit Facility, the 2031 Senior Term Loan and the interest rate swap.

As of January 29, 2023 January 28, 2024, we had no \$430 million outstanding borrowings on our Senior ABL Credit Facility, which provides for borrowings of up to \$1,250 million, subject to borrowing base availability. As of January 29, 2023 January 28, 2024, after giving effect to approximately \$12 million \$16 million of letters of credit issued under the Senior ABL Credit Facility, Core & Main LP would have been able to borrow approximately \$1,238 million \$804 million under the Senior ABL Credit Facility, subject to borrowing base availability. Our short term debt obligations of \$15 million are related to quarterly amortization principal payments on the 2028 Senior Term Loan Facility. Loan.

We are required commenced payments under the Tax Receivable Agreements in fiscal 2023, as the Company had a financing cash outflow related to make cash payments in future periods the payment of \$5 million under the Tax Receivable Agreements. Payments The annual payments under the Tax Receivable Agreements are expected to the Former Limited Partners will commence in fiscal year 2023 and payments to the Continuing Limited Partner involved in increase as a result of exchanges, including those exchanges made as part of the Secondary Offerings are expected to commence completed in fiscal year 2024. 2023. Payments under the Tax Receivable Agreements are only required to be made to the extent that we utilize realize or are deemed to have realized the benefit of the corresponding tax deductions to reduce payments to federal, state and local taxing authorities.

These payments are in an amount that represents 85% of the reduction in payments to federal, state and local taxing authorities. As such, the cash savings from the incremental tax deductions are expected to exceed the payments under the Tax Receivable Agreements over the life of these arrangements. Based on the anticipated filing date of income tax returns and contractual payment terms in the Tax Receivable Agreements, we expect these payments to occur two fiscal years after we utilize the corresponding tax deductions. The timing of payments associated with the Tax Receivable Agreements are summarized below:

Fiscal 2023	\$	5
Fiscal 2024	12 \$	11
Fiscal 2025		11 18
Fiscal 2026		11 40
Fiscal 2027		11 40
Fiscal 2028		41
Thereafter		135 567
Total Tax Receivable Agreements liability	\$	185 717

Further exchanges by the Continuing Limited Partners Management Feeder will result in additional tax deductions to us and require additional payables pursuant to Tax Receivable Agreements. The actual amount and timing of the additional payments under the Tax Receivable Agreements will vary depending upon a number of factors as discussed further in Note 7 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

In addition to making distributions to Core & Main, Inc. to fund tax obligations and payments under the Tax Receivable Agreements, in accordance with the Partnership Agreement, Holdings also makes distributions to the Continuing Limited Partners, representing the non-controlling interests of Core & Main, Inc., to fund their income tax obligations with various taxing authorities. The amount of these payments are dependent upon various factors, including the amount of taxable income allocated to them from Holdings, changes in the ownership percentage of the non-controlling interest holders, changes in tax rates and the timing of distributions relative to the corresponding tax year. Tax distributions to non-controlling interest holders were \$57 \$41 million in fiscal 2022 2023. These distributions are expected to decrease in fiscal 2024 as a result of the Secondary Offerings and Repurchase Transactions and the resulting decrease in ownership percentage of the non-controlling interest holders. However, there will be an increase in payments to taxing authorities by Core & Main due to its increased allocation of taxable income following the Secondary Offerings and Repurchase Transactions. Further exchanges by the Continuing Limited Partners may result in lower tax distributions subject to any changes to income before provision to income taxes.

Payments under the Tax Receivable Agreements may be accelerated if we elect an early termination of such Tax Receivable Agreement. An early termination of our obligations, or our successor's obligations, under such Tax Receivable Agreement to make payments thereunder would be based on certain assumptions, including an assumption that we would have sufficient taxable income to fully utilize all potential future tax benefits that are subject to such Tax Receivable Agreement.

We believe that our current sources of liquidity, which include cash generated from operations, existing cash and cash equivalents and available borrowing capacity under the Senior ABL Credit Facility, will be sufficient to meet our working capital, capital expenditures and other cash commitments, including obligations relating to our indebtedness and the Tax Receivable Agreements, over at least the next 12 months, months, at minimum. We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. Our growth strategy contemplates future acquisitions for which we will need sufficient access to capital. To finance future acquisitions, particularly larger acquisitions, we may issue additional equity or incur additional indebtedness. Any such additional indebtedness would increase our debt leverage. See "Risk Factors—Risks Related to Our Indebtedness" in this Annual Report on Form 10-K.

Additionally, we continuously regularly evaluate our approach to our capital allocation, which may include acquisitions, greenfields, debt reduction (including through open market debt repurchases, negotiated repurchases, other retirements of outstanding debt and opportunistic refinancing of debt), stock repurchases, dividends or other distributions. In fiscal 2023, we expect completed the Repurchase Transactions for total consideration of \$1,344 million. For further details, refer to Note 1 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. We may continue to return capital to our shareholders through dividends share repurchases and/or share repurchases, dividends. The execution of these, and other, capital allocation activities may be at the discretion of, and subject to the approval by, our board of directors and will depend on our financial condition, earnings, liquidity and capital requirements, market conditions, level of indebtedness, contractual restrictions, compliance with our debt covenants, restrictions imposed by Delaware applicable law, general business conditions and any other factors that our board of directors deems relevant in making any such determination. Therefore, there can be no assurance that we will engage in any or all of these actions or to what amount of capital we will allocate to each option. Our affiliates may also purchase our debt from time to time, through open market purchases or other transactions. In such cases, our debt may not be retired, in which case we would continue to pay interest in accordance with the terms

The execution of such debt and we would continue to reflect the debt as outstanding in our consolidated Balance Sheets.

Holdings' ability to pay dividends, which is required to fund aspects of certain initiatives under our capital allocation policy may require distributions by Holdings and Core & Main LP. These entities' ability to make distributions may be limited as a practical matter by our growth plans as well as our credit agreements and other debt instruments insofar as we may seek to pay dividends out of funds made available to us by Core & Main LP, because our credit agreements directly or indirectly restrict Core & Main LP's ability to pay dividends or make loans to Holdings. The 2028 Senior Term Loan Facility and Senior ABL Credit Facility. The 2028 Senior Term Loan may require accelerated repayment based upon cash flows generated in excess of operating and investing requirements when Core & Main LP's net total leverage ratio is greater than or equal to 3.25. In addition, the Senior ABL Credit Facility requires us to comply with a consolidated fixed charge coverage ratio of greater than or equal to 1.00 when availability is less than 10.0% of the lesser of (i) the then applicable borrowing base and (ii) the then aggregate effective commitments under the Senior ABL Credit Facility. Substantially all of Core & Main LP's assets secure the 2028 Senior Term Loan Facility and the Senior ABL Credit Facility.

Information about our cash flows, by category, is presented in the consolidated Statements of Cash Flows and is summarized as follows:

	Fiscal Years Ended		
	January 29, 2023	January 30, 2022	January 31, 2021

Cash flows provided by (used in) operating activities	\$	401	\$	(31)	\$	214
Cash flows (used in) investing activities		(152)		(203)		(229)
Cash flows (used in) provided by financing activities		(73)		(146)		215
Increase (decrease) in cash and cash equivalents	\$	176	\$	(380)	\$	200

	Fiscal Years Ended		
	January 28, 2024	January 29, 2023	January 30, 2022
Cash flows provided by (used in) operating activities	\$ 1,069	\$ 401	\$ (31)
Cash flows used in investing activities	(270)	(152)	(203)
Cash flows used in financing activities	(975)	(73)	(146)
(Decrease) increase in cash and cash equivalents	\$ (176)	\$ 176	\$ (380)

Operating Activities

Net cash provided by operating activities increased by \$668 million to \$1,069 million for fiscal 2023 compared with \$401 million for fiscal 2022. The improvement in operating cash flows was primarily driven by a reduction in inventory, due to more predictable product lead times in fiscal 2023, compared with inventory investments in fiscal 2022 partially offset by a \$31 million increase in cash interest payments and a decrease in operating income.

Net cash provided by operating activities increased by \$432 million to \$401 million of cash inflow for fiscal 2022 compared with cash used in operating activities of \$31 million for fiscal 2021. The improvement in operating cash flows was primarily driven by higher operating income, a smaller investment in working capital due to more predictable product lead times in fiscal 2022 which allowed for lower strategic inventory purchases compared to the prior year and \$52 million in lower cash interest payments due to the redemption of the Senior 2024 Notes and Senior 2025 Notes completed on July 27, 2021. These factors were partially offset by a \$92 million increase in tax payments due to higher income before provision for income taxes.

Net cash used in operating activities was \$31 million for fiscal 2021 compared with net cash from operating activities of \$214 million for fiscal 2020. The change was primarily driven by a higher investment in working capital based on strong net sales growth, driven by inflation and volume growth, and strategic inventory purchases for fiscal 2021. During fiscal 2020, we had a lower investment in working capital due to the impacts of COVID-19. These factors were partially offset by higher gross profit driven in part by higher selling prices and volume growth.

Investing Activities

Net cash used in investing activities increased by \$118 million to \$270 million for fiscal 2023 compared with \$152 million for fiscal 2022, primarily attributable to a \$103 million increase in cash outflows for acquisitions and a \$14 million increase in capital expenditures during fiscal 2023.

Net cash used in investing activities decreased by \$51 million to \$152 million for fiscal 2022 compared with \$203 million for fiscal 2021, primarily attributable to a \$51 million decrease in cash outflows for acquisitions and the fiscal 2021 cash outflow of \$5 million for the payment for the settlement of an interest rate swap. These factors were partially offset by a \$5 million increase in capital expenditures.

Financing Activities

Net cash used in investing financing activities decreased by \$26 million to \$203 million was \$975 million for fiscal 2021, 2023 compared with \$229 million \$73 million for fiscal 2020, 2022. The decrease increase of \$902 million was attributable primarily attributed to a \$38 million decrease in acquisitions partially offset by an \$8 million increase in capital expenditures the cash outflows of \$1,344 million for the Repurchase Transactions and a \$5 million payment pursuant to the Tax Receivable Agreements. These factors were partially offset by a \$430 million increase in net borrowings on the Senior ABL Credit Facility and a \$16 million decrease in distributions to non-controlling interest holders during fiscal 2021 for the settlement of an interest rate swap.

Financing Activities 2023.

Net cash used in financing activities was \$73 million for fiscal 2022 compared with \$146 million for fiscal 2021. The decrease of \$73 million was primarily attributable to a \$833 million decrease in outflows for debt repayments, net of debt issuances, discounts, issuance costs and modification costs; driven by the debt refinancing in conjunction with the IPO. This was partially offset by fiscal 2021 inflows related to net proceeds from the IPO and IPO Overallotment Option Exercise (as defined in Note 1 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K) of approximately \$756 million, after deducting underwriting discounts, commissions and offering expenses paid.

Net cash used in financing activities was \$146 million for fiscal 2021 compared with net cash from financing activities of \$215 million for fiscal 2020. The change of \$361 million was primarily attributable to a \$1,079 million increase in outflows for debt repayments, net of debt issuances, discounts, issuance costs, and modification costs, and a \$37 million increase in distributions to non-controlling interest holders. The outflows were partially offset by net proceeds from the IPO and the IPO Overallotment Option Exercise of approximately \$756 million, after deducting underwriting discounts, commissions and offering expenses paid.

Financing

Our debt obligations (in millions) through the period covered by this report consist of the following:

	Original Aggregate Principal/Borrowing Capacity		Maturity Date	Interest
2028 Senior Term Loan	\$	1,500 1,463	July 27, 2028	(i) Term SOFR plus, in each case, an applicable margin of 2.50% and a credit spread adjustment of 0.10% 2.60%, or (ii) the base rate, which will be the highest of (x) the corporate base rate established by the administrative agent as its prime rate in effect at its principal office in New York City from time to time, (y) the overnight federal funds rate plus 0.50% per annum and (z) one-month Term SOFR (adjusted for maximum reserves) plus 1.00% per annum, plus, in each case, an applicable margin of 1.50%.
2031 Senior Term Loan		750	February 9, 2031	(i) Term SOFR plus, in each case, an applicable margin of 2.25%, or (ii) the base rate, which will be the highest of (x) the corporate base rate established by the administrative agent as its prime rate in effect at its principal office in New York City from time to time, (y) the overnight federal funds rate plus 0.50% per annum and (z) one-month Term SOFR (adjusted for maximum reserves) plus 1.00% per annum, plus, in each case, an applicable margin of 1.25%.
Senior ABL Credit Facility ⁽¹⁾		1,250	July 27, 2026 February 9, 2029	Term SOFR rate plus an applicable margin ranging from 1.25% to 1.75%, or an alternate base rate plus an applicable margin ranging from 0.25% to 0.75%, depending on the borrowing capacity under the Senior ABL Credit Facility.
Interest Rate Swap ⁽²⁾		1,000 900	July 27, 2026	Effective fixed rate of 3.293%, based upon the 0.693% fixed rate plus an applicable margin of 2.50% and a credit spread adjustment of 0.10% both 2.60% associated with the 2028 Senior Term Loan Facility, Loan.
Interest Rate Swap ⁽³⁾		750	July 27, 2028	Effective fixed rate of 6.163%, based upon the 3.913% fixed rate plus an applicable margin of 2.25% associated with the 2031 Senior Term Loan.

- (1) Aggregate amount of commitments under the asset-based revolving credit facility of \$1,250 million overall, subject to borrowing base availability. There were no amounts was \$430 million outstanding under the Senior ABL Credit Facility as of January 29, 2023 January 28, 2024.
- (2) Notional amount of \$1,000 million \$900 million as of January 29, 2023 28, 2024. The notional amount decreases to \$900 million on July 27, 2023, \$800 million on July 27, 2024, and \$700 million on July 27, 2025 through the instrument maturity on July 27, 2026.
- (3) Interest rate swap entered into on February 12, 2024 for a notional amount of \$750 million. The notional amount increases to \$1,500 million on July 27, 2026 through the instrument maturity on July 27, 2028.

Refer to Note 6 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for a description of our debt obligations and the timing of future principal and interest payments including impacts from our interest rate swap.

Purchase Obligations

As of January 29, 2023 January 28, 2024, the Company had agreements in place with various suppliers to purchase goods and services, primarily inventory, in the aggregate amount of \$1,423 million \$1,033 million. These purchase obligations are generally cancellable, but the Company foresees no intent does not currently intend to cancel. Payment is generally expected to be made during fiscal 2023 2024 for these obligations.

Leases

The Company occupies certain facilities and operates certain equipment and vehicles under operating leases that expire at various dates through the year 2037. Future aggregate rental payments under non-cancelable operating leases as of January 29, 2023 January 28, 2024 were as follows: \$57 million in fiscal 2023, \$46 million \$65 million in fiscal 2024, \$36 million \$53 million in fiscal 2025, \$23 million \$40 million in fiscal 2026, \$29 million in fiscal 2027, \$15 million in fiscal 2027 2028 and \$21 16 million thereafter.

Non-GAAP Financial Measures

In addition to providing results that are determined in accordance with GAAP, we present EBITDA and Adjusted EBITDA, which are non-GAAP financial measures. These measures are not considered measures of financial performance or liquidity under GAAP and the items excluded therefrom are significant components in understanding and assessing our financial performance or liquidity. These measures should not be considered in isolation or as alternatives to GAAP measures such as net income or net income attributable to Core & Main, Inc., as applicable, cash provided by or used in operating, investing or financing activities or other financial statement data presented in our financial statements as an indicator of our financial performance or liquidity.

We define EBITDA as net income, or net income attributable to Core & Main, Inc., as applicable, adjusted for non-controlling interests, depreciation and amortization, provision for income taxes and interest expense. We define Adjusted EBITDA as EBITDA as further adjusted for certain items management believes are not reflective of the underlying operations of our business, including but not limited to (a) loss on debt modification and extinguishment, (b) equity-based compensation, (c) expenses associated with the IPO and subsequent secondary offerings and (d) expenses associated with acquisition activities. Net income attributable to Core & Main, Inc. is the most directly comparable GAAP measure to EBITDA and Adjusted EBITDA.

We use EBITDA and Adjusted EBITDA to assess the operating results and effectiveness and efficiency of our business. Adjusted EBITDA includes amounts otherwise attributable to non-controlling interests as we manage the consolidated company Company and evaluate operating performance in a similar manner. We present these non-GAAP financial measures because we believe that investors consider them to be important supplemental measures of performance, and we believe that these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Non-GAAP financial measures as reported by us may not be comparable to similarly titled metrics reported by other companies and may not be calculated in the same manner. These measures have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. For example, EBITDA and Adjusted EBITDA:

- do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on debt;
- do not reflect income tax expenses, the cash requirements to pay taxes or related distributions;

- do not reflect cash requirements to replace in the future any assets being depreciated and amortized; and
- exclude certain transactions or expenses as allowed by the various agreements governing our indebtedness.

EBITDA and Adjusted EBITDA are not alternative measures of financial performance or liquidity under GAAP and therefore should be considered in conjunction with net income, net income attributable to Core & Main, Inc. and other performance measures such as gross profit or net cash provided by or used in operating, investing or financing activities and not as alternatives to such GAAP measures. In evaluating Adjusted EBITDA, you should be aware that, in the future, we may incur expenses similar to those eliminated in this presentation.

The following table sets forth a reconciliation of net income or net income attributable to Core & Main, Inc. to EBITDA and Adjusted EBITDA for the periods presented:

		Fiscal Years Ended				
		January 29, 2023	January 30, 2022	January 31, 2021		
		2023	2022	2021		
		Fiscal Years Ended			Fiscal Years Ended	
		January 28, 2024	January 28, 2024	January 29, 2023	January 30, 2022	
Net income attributable to Core & Main, Inc.	Net income attributable to Core & Main, Inc.	\$ 366	\$ 166			
Plus: net income attributable to non-controlling interests	Plus: net income attributable to non-controlling interests	215	59			
Net income	Net income	581	225	\$ 37		
Depreciation and amortization ⁽¹⁾	Depreciation and amortization ⁽¹⁾	143	142	141		
Provision for income taxes	Provision for income taxes	128	51	9		
Interest expense	Interest expense	66	98	139		
EBITDA	EBITDA	\$ 918	\$ 516	\$ 326		
Loss on debt modification and extinguishment	Loss on debt modification and extinguishment	—	51	—		
Equity-based compensation	Equity-based compensation	11	25	4		
Acquisition expenses ⁽²⁾	Acquisition expenses ⁽²⁾	5	7	12		
Offering expenses ⁽³⁾	Offering expenses ⁽³⁾	1	5	—		
Adjusted EBITDA	Adjusted EBITDA	\$ 935	\$ 604	\$ 342		

(1) Includes depreciation of certain assets which are reflected in "cost of sales" in our Statement of Operations.

(2) Represents expenses associated with acquisition activities, including transaction costs, post-acquisition employee retention bonuses, severance payments, expense recognition of purchase accounting fair value adjustments (excluding amortization) and contingent consideration adjustments.

(3) Represents costs related to the IPO and subsequent secondary offerings reflected in SG&A expenses in our Statement of Operations.

Recently Issued and Adopted Accounting Pronouncements and Accounting Pronouncements Issued But Not Yet Adopted

See Note 2 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Critical Accounting Policies and Estimates

A summary of our significant accounting policies is included in Note 2 of our the audited consolidated annual financial statements, statements included elsewhere in this Annual Report on Form 10-K. The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the amounts reported in the

consolidated financial statements and accompanying notes. Our estimates and assumptions are based on historical experiences and changes in the business environment. However, actual results may differ from estimates under different conditions, sometimes materially. Critical accounting policies and estimates are defined as those that are both most important to the portrayal of our financial condition and results of operations and require management judgment. Our critical accounting policies and estimates are described below.

Revenue Recognition

Our revenues are earned from contracts with customers. These contracts include written agreements and purchase orders as well as arrangements that are implied by customary business practices or law. The revenue contracts are primarily single performance obligations for the sale of product or performance of services for customers. Revenue is recognized when title is passed to the customer in an amount that reflects the consideration we expect to be entitled to in exchange for the products and services, which is net of sales tax, customer incentives, returns and discounts. For product sales, the transfer of title generally occurs at the point of destination for products shipped by internal fleet and at the point of shipping for products shipped by third-party carriers. Estimates for expected customer incentives, returns and discounts are based on historical experience, anticipated performance and management's judgment. Generally, our contracts do not contain significant financing as the standard sales terms are short term in nature.

Inventories

Inventories consist primarily of finished goods and are carried at the lower of cost or net realizable value. The cost of substantially all inventories is determined by the weighted average cost method. We evaluate our inventory value at the end of each quarter to ensure that it is carried at the lower of cost or net realizable value. This evaluation includes an analysis of historical physical inventory results and a review of potential excess and obsolete inventories based on inventory aging and anticipated future demand. Periodically, perpetual inventory records are adjusted to reflect any declines in net realizable value below inventory carrying cost. To the extent historical physical inventory results are not indicative of future results and if future events impact, either favorably or unfavorably, the salability of our products or our relationship with certain key suppliers, our inventory reserves could differ significantly, resulting in either higher or lower future inventory provisions. The carrying value of inventory includes the capitalization of inbound freight costs and is net of supplier rebates and purchase discounts for an estimate of products not yet sold.

Acquisitions

We enter into acquisitions to, **among other things**, strategically expand in underpenetrated products and markets. When we acquire a business or assets that are determined to meet the definition of a business, we allocate the purchase consideration paid to acquire the business to the assets and liabilities acquired based on estimated fair values at the acquisition date, with the excess of purchase price over the estimated fair value of the net assets acquired recorded as goodwill. If during the measurement period (a period not to exceed 12 months from the acquisition date) we receive additional information that existed as of the acquisition date but at the time of the original allocation described above was unknown to us, we make the appropriate adjustments to the purchase price allocation in the reporting period that the amounts are determined.

For each acquisition, we value intangible assets acquired which may include customer relationships, non-compete agreements and/or trademarks. Customer relationship intangible assets represent the value associated with those customer relationships in place at the date of the acquisition. We value customer relationships using an excess earnings method using various inputs such as customer attrition rate, revenue growth rate, gross margin percentage and discount rate. Cash flows associated with the existing relationships are expected to diminish over time due to customer turnover. We reflect this expected diminishing cash flow through the utilization of an annual customer attrition rate assumption and in its method of amortization. Non-compete intangible assets represent the value associated with non-compete agreements for former executives in place at the date of the acquisition. Trademark intangible assets represent the value associated with the brand names in place at the date of the acquisition.

Tax Receivable Agreements

Under the Tax Receivable Agreements, we expect to generate tax attributes that will reduce amounts that we would otherwise pay in the future to various tax authorities.

The Former Limited Partners Tax Receivable Agreement provides for the payment by us to certain Former Limited Partners, or their permitted transferees, of 85% of the tax benefits, if any, that we actually realize, or in some circumstances are deemed to realize, as a result of (i) certain tax attributes of the Partnership Interests we hold in respect of such Former Limited Partners' interest in us, including such attributes which resulted from such Former Limited Partners' prior acquisition of ownership interests in Holdings and our allocable share of existing tax basis acquired in connection with the IPO attributable to the Former Limited Partners and (ii) certain other tax benefits.

The Continuing Limited Partners Tax Receivable Agreement provides for the payment by us to the Continuing Limited Partners, or their permitted transferees, of 85% of the benefits, if any, that we realize, or in some circumstances are deemed to realize, as a result of (i) increases in tax basis or other similar tax benefits as a result of exchanges of Partnership Interests for cash or shares of our Class A common stock pursuant to the Exchange Agreement, dated as of July 22, 2021 (**as amended**, the "Exchange Agreement"), by and among Core & Main, Holdings, CD&R Waterworks Holdings, LLC and Management Feeder, (ii) our allocable share of existing tax basis acquired in connection with the IPO attributable to the Continuing Limited Partners and in connection with exchanges of Partnership Interests for cash or shares of our Class A common stock pursuant to the Exchange Agreement and (iii) our utilization of certain other tax benefits related to our entering into the Continuing Limited Partners Tax Receivable Agreement, including tax benefits attributable to payments under the Continuing Limited Partners Tax Receivable Agreement. We expect to obtain an increase in our share of the tax basis in the net assets of Holdings as Partnership Interests are exchanged by Continuing Limited Partners. We intend to treat any exchanges of Partnership Interests as direct purchases of Partnership Interests for U.S. federal income tax purposes. These increases in tax basis are expected to reduce amounts owed to various tax authorities in the future.

Except to the extent that any benefits are **deemed** realized, we will receive the full benefit in tax savings from relevant taxing authorities and provide payment of 85% of the amount of any of our actual or deemed tax benefits to the Former Limited Partners or Continuing Limited Partners, as applicable, or their permitted transferees. We expect to benefit from the remaining 15% of any cash tax savings, except to the extent of any deemed **realizations**, **realizations that do not ultimately become realized**. For the Tax Receivable Agreements, we assess the tax attributes to determine if it is more likely than not that the benefit of any deferred tax assets will be realized. Following that assessment, we recognize a liability under the applicable Tax Receivable Agreements, reflecting approximately 85% of the expected future realization of such tax benefits. Amounts payable under the Tax Receivable Agreements are contingent upon, among other things, (i) generation of sufficient future taxable income during the term of the applicable Tax Receivable Agreements and (ii) future changes in tax laws. The establishment of the **\$91 million \$717 million liability under the Former Limited Partners Tax Receivable Agreements and the \$94 million liability under the Continuing Limited Partners Tax Receivable Agreements as of January 29, 2023 January 28, 2024** did not impact earnings as the payments were recorded against equity since Core & Main entered into the Tax Receivable Agreements as part of common control transactions. **Post Following** establishment of the **Tax Receivable Agreement tax receivable agreement** liabilities we may remeasure the liabilities due to changes in estimates which could result in an impact to earnings.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements as of **January 29, 2023 January 28, 2024**.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of conducting business, we are exposed to certain risks associated with potential changes in market conditions. These risks include fluctuations in interest rates and prices, including price fluctuations related to substantially all of our products.

Interest Rate Risk

Our credit facilities bear interest at a floating rate. Both the 2028 Senior Term Loan Facility and the Senior ABL Credit Facility bear interest generally equal to Term SOFR plus an applicable margin. As a result, we are exposed to fluctuations in interest rates to the extent of our net borrowings under the 2028 Senior Term Loan Facility and the Senior ABL Credit Facility. As of January 29, 2023 January 28, 2024, our net borrowings under the 2028 Senior Term Loan and Senior ABL Credit Facility had borrowings of \$1,478 million were \$1,893 million. As such, excluding the impact of any interest rate swap, each one percentage point change in interest rates would result in an approximately \$15 million change in the annual interest expense on the 2028 Senior Term Loan Facility. Loan. As of January 29, 2023 January 28, 2024, assuming availability under our Senior ABL Credit Facility was fully utilized, each one percentage point change in interest rates would result in an approximately \$12 million change in annual interest expense. On February 9, 2024, Core & Main LP entered into an incremental \$750 million term loan in conjunction with the 2031 Senior Term Loan. See Item 7. "Management's Discussion and Analysis of Financial Conditions and Results of Operations—Key Factors Affecting Our Business—Interest Rates." Rates" of this Annual Report on Form 10-K.

Credit Risk

We are exposed to credit risk on accounts receivable balances. This risk is mitigated due to our large, diverse customer base. In fiscal 2022 2023, our 50 largest customers accounted for approximately 12% of our net sales, with our largest customer accounting for less than 1% of net sales. We maintain provisions for potential credit losses and such losses to date have normally been within our expectations. We evaluate the solvency of our customers on an ongoing basis to determine if additional allowances for doubtful accounts receivable need to be recorded. We have historically not been exposed to a material amount of uncollectible receivable balances.

Price Risk

We are exposed to price fluctuations in the cost to procure substantially all the products we sell and our ability to reflect these changes, in a timely manner, in our customer pricing. Our operating performance may be affected by both upward and downward price fluctuations. We have a limited ability to control the timing an and amount of changes in the cost to procure our products. We seek to recover increases in our product costs by passing product cost increases on to our customers. Conversely, decreases in our product costs can correspondingly lower the price levels of the products we sell in order to remain competitive in our markets. Changes to product costs may lead to a risk of a reduction to our margins, which we margins. We seek to minimize this risk through strategic inventory investments ahead of announced price increases, the execution of our gross margin initiatives and accretive acquisitions. We are also exposed to fluctuations in petroleum costs as we deliver a substantial portion of the products we sell by truck and fluctuations in prices for imported products due to logistical challenges. We seek to minimize the effects of changing prices through economies of purchasing, inventory management based on the predictability of product lead teams and recovering product costs by passing cost increases on to customers. Such price fluctuations have from time to time produced volatility in our financial performance and could do so in the future.

Item 8. Financial Statements and Supplementary Data

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Core & Main, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Core & Main, Inc. and its subsidiaries (the "Company") as of January 29, 2023 January 28, 2024 and January 30, 2022 January 29, 2023, and the related consolidated statements of operations, of comprehensive income, of stockholder's stockholders' equity / partners' capital and of cash flows for each of the three years in the period ended January 29, 2023 January 28, 2024, including the related notes and financial statement schedules listed in the index appearing under Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of January

29, 2023 January 28, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of January 29, 2023 January 28, 2024 and January 30, 2022 January 29, 2023, and the results of its operations and its cash flows for each of the three years in the period ended January 29, 2023 January 28, 2024 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 29, 2023 January 28, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

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

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

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition – Net Product Sales

As described in Notes 2 and 3 to the consolidated financial statements, the Company's total net sales were \$6,651 million \$6,702 million, of which \$6,634 million \$6,679 million relates to product sales for the year ended January 29, 2023 January 28, 2024. The Company's revenues are earned from contracts with customers. These contracts include written agreements and purchase orders as well as arrangements that are implied by customary business practices or law. The revenue contracts are primarily single performance obligations for the sale of product for customers, product. Revenue is recognized when title is passed to the customer in an amount that reflects the consideration the Company expects to be entitled to in exchange for the products, which is net of sales tax, customer incentives, returns and discounts. For product sales, the transfer of title generally occurs at the point of destination for products shipped by internal fleet and at the point of shipping for products shipped by third party carriers. Estimates for expected customer incentives, returns and discounts are based on historical experience, anticipated performance and management's judgement. Generally, the Company's contracts do not contain significant financing as the standard terms are short term in nature.

The principal consideration for our determination that performing procedures relating to revenue recognition of net product sales is a critical audit matter is a high degree of auditor effort in performing procedures related to the Company's revenue recognition, recognition of net product sales.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process, process of net product sales, (i) testing the completeness, accuracy, and existence of revenue recognized for a sample of net product sales revenue transactions by obtaining and inspecting source documents, such as invoices, pick tickets, shipping documents, cash receipts from customers, and, where applicable, customer contracts and (ii) testing, for a sample of net product sales revenue transactions on or before January 29, 2023 January 28, 2024, the cutoff of net product sales revenue transactions.

/s/ PricewaterhouseCoopers LLP
St. Louis, Missouri
March 28, 2023 19, 2024

We have served as the **Company's** **Company's** auditor since 2021.

CORE & MAIN, INC.
CONSOLIDATED BALANCE SHEETS
Amounts in millions (except share and per share data)

		January 29, 2023	January 30, 2022		
	January 28, 2024			January 28, 2024	January 29, 2023
ASSETS	ASSETS				
Current assets:	Current assets:				
Current assets:					
Current assets:					
Cash and cash equivalents	Cash and cash equivalents	\$ 177	\$ 1		
Receivables, net of allowance for credit losses of \$9 and \$5		955	884		
Cash and cash equivalents					
Cash and cash equivalents					
Receivables, net of allowance for credit losses of \$12 and \$9					
Inventories	Inventories	1,047	856		
Prepaid expenses and other current assets	Prepaid expenses and other current assets	32	26		
Total current assets	Total current assets	2,211	1,767		
Property, plant and equipment, net	Property, plant and equipment, net	105	94		
Operating lease right-of-use assets	Operating lease right-of-use assets	175	152		
Intangible assets, net	Intangible assets, net	795	871		
Goodwill	Goodwill	1,535	1,515		
Deferred income taxes					
Other assets	Other assets	88	35		
Total assets	Total assets	\$ 4,909	\$ 4,434		
LIABILITIES AND STOCKHOLDERS' EQUITY	LIABILITIES AND STOCKHOLDERS' EQUITY				
LIABILITIES AND STOCKHOLDERS' EQUITY					
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current liabilities:	Current liabilities:				
Current liabilities:					
Current liabilities:					
Current maturities of long-term debt					
Current maturities of long-term debt					
Current maturities of long-term debt	Current maturities of long-term debt	\$ 15	\$ 15		
Accounts payable	Accounts payable	479	608		

Accrued compensation and benefits	Accrued compensation and benefits	123	109
Current operating lease liabilities	Current operating lease liabilities	54	49
Other current liabilities	Other current liabilities	55	58
Total current liabilities	Total current liabilities	726	839
Long-term debt	Long-term debt	1,444	1,456
Non-current operating lease liabilities	Non-current operating lease liabilities	121	103
Deferred income taxes	Deferred income taxes	9	35
Payable to related parties pursuant to Tax Receivable Agreements		180	153
Tax receivable agreement liabilities			
Other liabilities	Other liabilities	19	17
Total liabilities	Total liabilities	2,499	2,603
Commitments and contingencies	Commitments and contingencies		
Class A common stock, par value \$0.01 per share, 1,000,000,000 shares authorized, 172,765,161 and 167,522,403 shares issued and outstanding as of January 29, 2023 and January 30, 2022, respectively		2	2
Class B common stock, par value \$0.01 per share, 500,000,000 shares authorized, 73,229,675 and 78,398,141 shares issued and outstanding as of January 29, 2023 and January 30, 2022, respectively		1	1
Class A common stock, par value \$0.01 per share, 1,000,000,000 shares authorized, 191,663,608 and 172,765,161 shares issued and outstanding as of January 28, 2024 and January 29, 2023, respectively			
Class A common stock, par value \$0.01 per share, 1,000,000,000 shares authorized, 191,663,608 and 172,765,161 shares issued and outstanding as of January 28, 2024 and January 29, 2023, respectively			
Class A common stock, par value \$0.01 per share, 1,000,000,000 shares authorized, 191,663,608 and 172,765,161 shares issued and outstanding as of January 28, 2024 and January 29, 2023, respectively			

Commitments and contingencies

Class B common stock, par value \$0.01 per share, 500,000,000 shares authorized, 9,630,186 and 73,229,675 shares issued and outstanding as of January 28, 2024 and January 29, 2023, respectively			
Additional paid-in capital	Additional paid-in capital	1,241	1,214
Retained earnings	Retained earnings	458	92
Accumulated other comprehensive income	Accumulated other comprehensive income	45	16
Total stockholders' equity attributable to Core & Main, Inc.	Total stockholders' equity attributable to Core & Main, Inc.	1,747	1,325
Non-controlling interests	Non-controlling interests	663	506
Total stockholders' equity	Total stockholders' equity	2,410	1,831
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	\$ 4,909	\$ 4,434

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

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CORE & MAIN, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
Amounts in millions (except share and per share data)

		Fiscal Years Ended		Fiscal Years Ended	
		January 28, 2024	January 29, 2023	January 30, 2022	
		Fiscal Years Ended		January 31, 2021	
		January 29, 2023	January 30, 2022	January 31, 2021	
Net sales	Net sales				
Net sales	Net sales	\$ 6,651	\$ 5,004	\$ 3,642	
Cost of sales	Cost of sales	4,856	3,724	2,764	
Gross profit	Gross profit	1,795	1,280	878	
Operating expenses:	Operating expenses:				

Selling, general and administrative				
Selling, general and administrative				
Selling, general and administrative	Selling, general and administrative	880	717	556
Depreciation and amortization	Depreciation and amortization	140	138	137
Total operating expenses	Total operating expenses	1,020	855	693
Operating income	Operating income	775	425	185
Interest expense	Interest expense	66	98	139
Loss on debt modification and extinguishment	Loss on debt modification and extinguishment	—	51	—
Income before provision for income taxes	Income before provision for income taxes	709	276	46
Provision for income taxes	Provision for income taxes	128	51	9
Net income	Net income	581	225	\$ 37
Less: net income attributable to non-controlling interests ⁽¹⁾	Less: net income attributable to non-controlling interests ⁽¹⁾	215	59	
Net income attributable to Core & Main, Inc. ⁽¹⁾	Net income attributable to Core & Main, Inc. ⁽¹⁾	\$ 366	\$ 166	
Earnings per share ⁽²⁾	Earnings per share ⁽²⁾			
Earnings per share ⁽²⁾				
Earnings per share ⁽²⁾				
Basic				
Basic				
Basic	Basic	\$ 2.16	\$ 0.57	
Diluted	Diluted	\$ 2.13	\$ 0.55	
Number of shares used in computing EPS ⁽²⁾	Number of shares used in computing EPS ⁽²⁾			
Basic	Basic	169,482,199	159,188,391	
Basic				
Basic				
Diluted	Diluted	246,217,004	244,451,678	

(1) For the fiscal year ended January 30, 2022, the net income attributable to Core & Main, Inc. includes net income prior to the Reorganization Transactions (as defined in Note 1) of \$74 million and net income subsequent to the Reorganization Transactions of \$92 million. Refer to the Statements of Changes in Stockholders' Equity/Partners' Capital for a summary of net income attributable to Core & Main, Inc. subsequent to the Reorganization Transactions. See Note 1 for a description of the Basis of Presentation of the consolidated financial statements.

(2) For the fiscal year ended January 30, 2022, this schedule represents basic and diluted earnings per share of Class A common stock and weighted average shares of Class A common stock outstanding for the period from July 23, 2021 through January 30, 2022, which is the period following the Reorganization Transactions described in Note 1. The Company analyzed the calculation of earnings per share for the periods prior to the

Reorganization Transactions and determined that it resulted in values that would not be meaningful to the users of the consolidated financial statements. Therefore, there is no earnings per share attributable to Core & Main, Inc. for the periods prior to the Reorganization Transactions on July 22, 2021. Refer to calculation of earnings per share in Note 12.

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

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CORE & MAIN, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Amounts in millions

		Fiscal Years Ended						
		January						
		January 29, 2023	30, 2022	31, 2021				
		Fiscal Years Ended			Fiscal Years Ended			
		January						
		28, 2024	January 28, 2024		January 29, 2023		January 30, 2022	
Net income	Net income	\$ 581	\$ 225	\$ 37				
Net interest rate swap gain, net of tax (expense) of \$(9), \$(6) and \$(1)		44	34	3				
Net income								
Net income								
Net comprehensive (loss) gain on interest rate swap, net of tax (expense) of \$(1), \$(9) and \$(6)								
Total comprehensive income	Total comprehensive income	625	259	\$ 40				
Less: comprehensive income attributable to non-controlling interests	Less: comprehensive income attributable to non-controlling interests	232	71					
Total comprehensive income attributable to Core & Main, Inc.	Total comprehensive income attributable to Core & Main, Inc.	\$ 393	\$ 188					

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

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CORE & MAIN, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY/PARTNERS' CAPITAL
Amounts in millions (except share and per share data)

	Class A					Class B					Total Stockholders' Equity/ Partners' Capital
	Common Stock					Common Stock					
						Accumulated					
						Additional	Other	Non-			
						Paid In	Comprehensive	Retained	Controlling	Partners'	
	Partners' Capital	Shares	Amount	Shares	Amount	Capital	Income (Loss)	Earnings	Interests	Capital	
Balances at February 2, 2020	\$ 771	—	\$ —	—	\$ —	\$ —	\$ —	—	\$ —	\$ 771	
Equity investment from partners	1	—	—	—	—	—	—	—	—	1	
Equity-based compensation	4	—	—	—	—	—	—	—	—	4	
Net income attributable to partners' capital	37	—	—	—	—	—	—	—	—	37	
Net interest rate swap gain, net of tax	3	—	—	—	—	—	—	—	—	3	
Distributions to partners	(15)	—	—	—	—	—	—	—	—	(15)	

												Class A		Class B		Accumulated				Total			
												Common		Common		Additional		Other		Non-		Stockh	
												Stock		Stock		Paid In		Comprehensive		Retained		Equi	
												Partners' Capital				Capital		Income (Loss)		Earnings		Partn	
Partners' Capital												Shares											
Balances at January 31, 2021																							
Balances at January 31, 2021																							
Balances at January 31, 2021	Balances at January 31, 2021	801	—	—	—	—	—	—	—	—	801												
Equity-based compensation	Equity-based compensation	15	—	—	—	—	—	—	—	—	15												
Net income attributable to partners' capital	Net income attributable to partners' capital	74	—	—	—	—	—	—	—	—	74												
Net interest rate swap gain, net of tax	Net interest rate swap gain, net of tax	4	—	—	—	—	—	—	—	—	4												
Distributions to partners	Distributions to partners	(23)	—	—	—	—	—	—	—	—	(23)												
Balances at July 22, 2021 prior to Reorganization Transactions and IPO	Balances at July 22, 2021 prior to Reorganization Transactions and IPO	871	—	—	—	—	—	—	—	—	871												
Reclassification of partners' capital	Reclassification of partners' capital	(871)	—	—	—	—	871	—	—	—	—												
Reorganization transactions	Reorganization transactions	—	119,950,882	1	85,853,383	1	(2)	—	—	—	—												
Reclassification of non-controlling interests upon reorganization	Reclassification of non-controlling interests upon reorganization	—	—	—	—	—	(300)	(2)	—	302	—												
Issuance of Class A Shares, net of issuance costs	Issuance of Class A Shares, net of issuance costs	—	40,116,279	1	—	—	755	—	—	—	756												

	Adjustment of deferred tax liability											
Adjustment of deferred tax liability associated with Core & Main investment in Core & Main Holdings, LP	associated with Core & Main investment in Core & Main Holdings, LP	—		—	—	—	—	200	—	—	—	200
Net income	Net income	—		—	—	—	—	—	—	92	59	151
Equity-based compensation	Equity-based compensation	—		—	—	—	—	7	—	—	3	10
Net old interest rate swap gain, net of tax	Net old interest rate swap gain, net of tax	—		—	—	—	—	—	2	—	2	4
Net new interest rate swap gain, net of tax	Net new interest rate swap gain, net of tax	—		—	—	—	—	—	16	—	10	26
Distributions to non-controlling interest holders	Distributions to non-controlling interest holders	—		—	—	—	—	—	—	—	(34)	(34)
Exchange of Partnership Interests for Class A Shares	Exchange of Partnership Interests for Class A Shares	—	7,455,242	—	(7,455,242)	—	49	—	—	—	(49)	—
Establishment of Tax Receivable Agreement Liabilities	Establishment of Tax Receivable Agreement Liabilities	—		—	—	—	(153)	—	—	—	—	(153)
Non-controlling interests adjustment for purchase of Partnership Interests and vesting of Core & Main Holdings, LP Partnership Interests held by non-controlling interests	Non-controlling interests adjustment for purchase of Partnership Interests and vesting of Core & Main Holdings, LP Partnership Interests held by non-controlling interests	—		—	—	—	(213)	—	—	—	213	—
Balances at January 30, 2022	Balances at January 30, 2022	—	167,522,403	2	78,398,141	1	1,214	16	92	506		1,831
Net income	Net income	—		—	—	—	—	—	366	215		581
Equity-based compensation	Equity-based compensation	—		—	—	—	8	—	—	3		11
Net interest rate swap gain, net of tax	Net interest rate swap gain, net of tax	—		—	—	—	—	27	—	17		44
Distributions to non-controlling interest holders	Distributions to non-controlling interest holders	—		—	—	—	(6)	—	—	(48)		(54)

Exchange of Partnership Interests and Class B Shares for Class A Shares	Exchange of Partnership Interests and Class B Shares for Class A Shares	—	5,132,134	—	(5,133,763)	—	40	2	—	(42)	—
Adjustment of deferred tax liability associated with Core & Main investment in Core & Main Holdings, LP	Adjustment of deferred tax liability associated with Core & Main investment in Core & Main Holdings, LP	—	—	—	—	—	30	—	—	—	30
Establishment of Tax Receivable Agreement Liabilities	Establishment of Tax Receivable Agreement Liabilities	—	—	—	—	—	(34)	—	—	—	(34)
Activity under equity-based compensation plans, net of tax withholdings	Activity under equity-based compensation plans, net of tax withholdings	—	110,644	—	—	—	1	—	—	—	1
Forfeiture of Class A Shares and Partnership Interests	Forfeiture of Class A Shares and Partnership Interests	—	(20)	—	(34,703)	—	—	—	—	—	—
Non-controlling interest adjustments for purchase of Partnership Interests and vesting of Core & Main Holdings, LP Partnership Interests held by non-controlling interests	Non-controlling interest adjustments for purchase of Partnership Interests and vesting of Core & Main Holdings, LP Partnership Interests held by non-controlling interests	—	—	—	—	—	(12)	—	—	12	—
Non-controlling interests adjustment for purchase of Partnership Interests and vesting of Core & Main Holdings, LP Partnership Interests held by non-controlling interests	Non-controlling interests adjustment for purchase of Partnership Interests and vesting of Core & Main Holdings, LP Partnership Interests held by non-controlling interests										
Balances at January 29, 2023	Balances at January 29, 2023	\$ —	\$ 172,765,161	\$ 2	\$ 73,229,675	\$ 1	\$ 1,241	\$ 45	\$ 458	\$ 663	\$ 2,410
Net income											
Equity-based compensation											
Net comprehensive loss on interest rate swap, net of tax											
Distributions to non-controlling interest holders											
Repurchase and Retirement of Class A and Class B shares and corresponding Partnership Interest											
Exchange of Partnership Interests and Class B Shares for Class A Shares											
Establishment/adjustment of deferred tax asset associated with Core & Main investment in Core & Main Holdings, LP											

Establishment of Tax
Receivable
Agreement Liabilities
Activity under equity-
based compensation
plans, net of tax
withholdings

Balances at January 28,
2024

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

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CORE & MAIN, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Amounts in millions

		Fiscal Years Ended		
		January 29, 2023	January 30, 2022	January 31, 2021
		2023	2022	2021
		Fiscal Years Ended		
		January 28, 2024	January 29, 2023	January 30, 2022
Cash Flows	Cash Flows			
From Operating	From Operating			
Activities:	Activities:			
Net income	Net income			
Net income	Net income	\$ 581	\$ 225	\$ 37
Adjustments to	Adjustments to			
reconcile net	reconcile net			
cash from	cash from			
operating	operating			
activities:	activities:			
Depreciation	Depreciation	148	150	153
and	and			
amortization	amortization			
Depreciation and amortization	Depreciation and amortization			
Equity-based	Equity-based	11	25	4
compensation	compensation			
expense	expense			
Loss on debt	Loss on debt	—	49	—
modification	modification			
and	and			
extinguishment	extinguishment	—	(14)	1
Other	Other			
Changes in	Changes in			
assets and	assets and			
liabilities:	liabilities:			
(Increase) decrease in	(Increase) decrease in			
receivables	receivables			
(Increase) decrease in	(Increase) decrease in			
receivables	receivables	(51)	(312)	(28)

(Increase) decrease in inventories	(Increase) decrease in inventories	(149)	(440)	(27)
(Increase) decrease in other assets	(Increase) decrease in other assets	(4)	(7)	8
Increase (decrease) in accounts payable	Increase (decrease) in accounts payable	(140)	274	40
Increase (decrease) in accrued liabilities	Increase (decrease) in accrued liabilities	5	24	15
Increase (decrease) in other liabilities	Increase (decrease) in other liabilities	—	(5)	11
Net cash provided by (used in) operating activities	Net cash provided by (used in) operating activities	401	(31)	214
Cash Flows	Cash Flows			
From Investing	From Investing			
Activities:	Activities:			
Capital expenditures	Capital expenditures	(25)	(20)	(12)
Capital expenditures	Capital expenditures			
Acquisitions of businesses, net of cash acquired	Acquisitions of businesses, net of cash acquired	(128)	(179)	(217)
Settlement of interest rate swap	Settlement of interest rate swap	—	(5)	—
Proceeds from the sale of property and equipment		1	1	—
Other				
Net cash used in investing activities	Net cash used in investing activities	(152)	(203)	(229)
Cash Flows	Cash Flows			
From Financing	From Financing			
Activities:	Activities:			
IPO proceeds, net of underwriting discounts and commissions	IPO proceeds, net of underwriting discounts and commissions	—	664	—
IPO proceeds, net of underwriting discounts and commissions				
IPO proceeds, net of underwriting discounts and commissions				

Offering proceeds from underwriters' option, net of underwriting discounts and commissions	Offering proceeds from underwriters' option, net of underwriting discounts and commissions	—	100	—
Payments for offering costs	Payments for offering costs	—	(8)	—
Proceeds from issuance of common stock from employee equity plans		1	—	—
Investments from non-controlling interest holders		—	—	1
Repurchase and retirement of partnership interests				
Distributions to non-controlling interest holders	Distributions to non-controlling interest holders	(57)	(52)	(15)
Payments pursuant to Tax Receivable Agreements				
Borrowings on asset-based revolving credit facility	Borrowings on asset-based revolving credit facility	244	18	460
Repayments on asset-based revolving credit facility	Repayments on asset-based revolving credit facility	(244)	(18)	(460)
Issuance of long-term debt	Issuance of long-term debt	—	1,500	250
Repayments of long-term debt	Repayments of long-term debt	(15)	(2,319)	(13)
Payment of debt redemption premiums	Payment of debt redemption premiums	—	(18)	—
Debt issuance costs	Debt issuance costs	(2)	(13)	(8)
Net cash (used in) provided by financing activities		(73)	(146)	215
Increase (decrease) in cash and cash equivalents		176	(380)	200
Other				
Net cash used in financing activities				
(Decrease) increase in cash and cash equivalents				
Cash and cash equivalents at the beginning of the period	Cash and cash equivalents at the beginning of the period	1	381	181
Cash and cash equivalents at the end of the period	Cash and cash equivalents at the end of the period	\$ 177	\$ 1	\$ 381

Cash paid for interest (excluding effects of interest rate swap)	Cash paid for interest (excluding effects of interest rate swap)	\$	74	\$	126	\$	123
Cash paid for interest (excluding effects of interest rate swap)							
Cash paid for interest (excluding effects of interest rate swap)							
Cash paid for income taxes	Cash paid for income taxes		147		55		8

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

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CORE & MAIN, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Dollars in millions, except as noted

1) BASIS OF PRESENTATION & DESCRIPTION OF BUSINESS

Organization

Core & Main, Inc. ("Core & Main") is a Delaware corporation that was incorporated on April 9, 2021 for the purpose of facilitating an initial public offering and other related transactions, as described below, in order to carry on the business of Core & Main Holdings, LP, a Delaware limited partnership ("Holdings"), and its consolidated subsidiaries. Core & Main is a holding company and its primary material asset is assets are its direct and indirect ownership interest in Holdings a portion of which is held indirectly through CD&R WW, LLC, and deferred tax assets associated with this ownership. Holdings has no operations and no material assets of its own other than its indirect ownership interest in Core & Main LP, a Florida limited partnership, the legal entity that conducts the operations of Core & Main. Core & Main, together with its wholly-owned subsidiaries, including Holdings and its consolidated subsidiaries, are referred to as the "Company".

The Company is a leader in advancing reliable infrastructure with local service, nationwide. As a leading specialized distributor with a focus on water, wastewater, storm drainage and fire protection products and related services, the Company provides solutions to municipalities, private water companies and professional contractors across municipal, non-residential and residential end markets, nationwide. The Company's specialty products and services are used in the maintenance, repair, replacement, and construction of water and fire protection infrastructure. The Company reaches customers through a nationwide network of approximately 820 335 branches across 48 states. The Company's products include pipes, valves, fittings, storm drainage products, fire protection products, meter products and other products for use in the construction, maintenance and repair of water and wastewater systems as well as fire protection systems. The Company has complemented its core products through additional offerings, including smart meter systems, fusible high-density polyethylene ("fusible HDPE") piping solutions, specifically engineered treatment plant products and geosynthetics and erosion control products. The Company's services and capabilities allow for integration with customers and form part of their sourcing and procurement function. All of the Company's long-lived assets are located within the United States ("U.S.").

Initial Public Offering

On July 27, 2021, Core & Main completed its initial public offering of 34,883,721 shares of Class A common stock at a price to the public of \$20.00 per share (the "IPO"). Core & Main received net proceeds of approximately \$664 million, after deducting underwriting discounts and commissions. All of the net proceeds from the IPO, less \$8 million of transaction costs directly attributable to the IPO, were utilized to purchase 34,883,721 newly issued limited partner interests of Holdings ("Partnership Interests") for approximately \$656 million in the aggregate. In turn, Holdings and Core & Main LP utilized the net proceeds of the IPO directly or indirectly received from Core & Main, together with the net proceeds from borrowings under the 2028 Senior Term Loan Facility (as defined below and described in Note 6) and cash on hand to redeem (i) all \$300 million aggregate principal amount of the senior unsecured notes due September 15, 2024 issued by Holdings (the "Senior 2024 Notes") and (ii) all \$750 million aggregate principal amount of the senior unsecured notes due August 15, 2025 issued by Core & Main LP (the "Senior 2025 Notes"). Additionally, Core & Main LP amended the terms of the credit agreement governing the senior term loan facility with an original principal balance of \$1,300 million maturing on August 1, 2024 issued by Core & Main LP (the "Prior Term Loan Facility Loan") in order to, among other things, enter into a new \$1,500 million seven-year senior term loan (the "Senior 2028 Senior Term Loan Facility Loan") (collectively, the "Refinancing Transactions").

As a result of the Refinancing Transactions on July 27, 2021, the Company recorded a loss on debt modification and extinguishment of \$51 million for fiscal 2021. The loss on debt modification and extinguishment included (i) the write-off of \$8 million in deferred financing fees associated with the redemption of the Senior 2024 Notes, (ii) the write-off of \$13 million in deferred financing fees associated with the redemption of the Senior 2025 Notes, (iii) the write-off of \$5 million in deferred financing fees associated with the settlement of the Prior Term Loan Facility, (iv) redemption premiums of \$6 million and \$12 million for the Senior 2024 Notes and Senior 2025 Notes, respectively, (v) the settlement of the cash flow interest rate swap of \$5 million which had its changes in fair value previously attributed to accumulated other comprehensive loss, and (vi) third-party expenses for the 2028 Senior Term Loan Facility of \$2 million.

On August 20, 2021, Core & Main issued 5,232,558 shares of Class A common stock pursuant to the full exercise of the underwriters' option to purchase additional shares of Class A common stock in connection with the IPO at the initial public offering price of \$20.00 per share before underwriting discounts and commissions (the "IPO Overallotment Option Exercise"). Core & Main received net proceeds of approximately \$100 million after deducting underwriting discounts and commissions. All of the net proceeds were utilized to purchase 5,232,558 newly issued Partnership Interests of Holdings at a price per unit equal to the public offering price per share less underwriting discounts and commissions. In

turn, Holdings and Core & Main LP utilized the net proceeds of the IPO Overallotment Option Exercise directly or indirectly received from Core & Main for general corporate purposes.

Secondary Offerings and Repurchase Transactions

On January 10, 2022 During fiscal 2023, a fiscal 2022 and fiscal 2021, secondary public offering of 20,000,000 shares offerings of Class A common stock on behalf of were completed by certain selling stockholders affiliated with Clayton, Dubilier & Rice, LLC (the "Selling Stockholders") was completed at a price to the public of \$26.00 per share (the "Fiscal 2021 Secondary Offering"). As part of the Fiscal 2021 Secondary Offering, 7,455,242 secondary public offerings the Selling Stockholders sold to the public (1) existing shares of Class A common stock and (2) shares of Class A common stock received in exchange for an equal number of Partnership Interests, were exchanged, together with the retirement of a corresponding number of shares of Class B common stock, for an equal number stock. Below is a summary of the secondary public offerings completed during fiscal 2023, fiscal 2022 and fiscal 2021 (collectively the "Secondary Offerings").

Secondary Offering Date	Existing Shares of Class A Common Stock Sold to the Public	Partnership Interests Exchanged for Class A Common Stock Prior to Sale to the Public	Total Shares of Class A Common Stock Sold	Price Per Share
Fiscal 2023 Secondary Offerings				
January 25, 2024	12,366,683	7,415,404	19,782,087	\$40.985
January 10, 2024 ⁽¹⁾	12,084,902	7,465,098	19,550,000	\$38.120
December 11, 2023 ⁽¹⁾	10,783,760	6,466,240	17,250,000	\$35.540
November 9, 2023 ⁽¹⁾	13,659,431	8,190,569	21,850,000	\$30.440
September 19, 2023	11,252,620	6,747,380	18,000,000	\$29.015
June 12, 2023	8,752,038	5,247,962	14,000,000	\$28.215
April 14, 2023	3,125,728	1,874,272	5,000,000	\$22.151
Fiscal 2022 Secondary Offering				
September 19, 2022	6,876,601	4,123,399	11,000,000	\$23.750
Fiscal 2021 Secondary Offering				
January 10, 2022	12,544,758	7,455,242	20,000,000	\$26.000

(1) Includes shares of Class A common stock which were a portion purchased by the underwriter, pursuant to the exercise in full of the shares sold by option granted in connection with the Selling Stockholders. These shares were sold along with an existing 12,544,758 shares of Class A common stock held by the Selling Stockholders.

On September 19, 2022, a secondary public offering of 11,000,000 shares of Class A common stock on behalf of the Selling Stockholders was completed at a price to the public of \$23.75 per share (the "Fiscal 2022 Secondary Offering" and, together with the Fiscal 2021 Secondary Offering, the "Secondary Offerings"). As part of the Fiscal 2022 Secondary Offering, 4,123,399 Partnership Interests were exchanged, together with the retirement of a corresponding number of shares of Class B common stock, for an equal number of shares of Class A common stock, which were a portion of the shares sold by the Selling Stockholders. These shares were sold along with an existing 6,876,601 shares of Class A common stock held by the Selling Stockholders, offering.

The Company did not receive any of the proceeds from the Secondary Offerings. The Company paid the costs associated with the sale of shares by the Selling Stockholders in the Secondary Offerings, other than underwriting discounts and commissions.

Concurrently with the completion of the Secondary Offerings completed in fiscal 2023, (i) the Company repurchased from the Selling Stockholders shares of our Class A common stock, and Holdings redeemed from the Company a corresponding number of Partnership Interests, and (ii) Holdings redeemed Partnership Interests from one of the Selling Stockholders, with the Company repurchasing a corresponding number of shares of our Class B common stock from such Selling Stockholder for no additional consideration. Below is a summary of the repurchase transactions completed during fiscal 2023 (the "Repurchase Transactions").

Repurchase Transaction Date	Shares of Class A Common Stock Repurchased	Partnership Interests Redeemed	Total Repurchase Amount	Price Per Share/Partnership Interest	Total Consideration Paid (in millions)
January 25, 2024	3,125,728	1,874,272	5,000,000	\$40.985	\$205
January 10, 2024	3,125,728	1,874,272	5,000,000	\$38.120	\$191
December 11, 2023	3,125,728	1,874,272	5,000,000	\$35.540	\$178
November 9, 2023	3,125,728	1,874,272	5,000,000	\$30.440	\$152
September 19, 2023	3,125,728	1,874,272	5,000,000	\$29.015	\$145
June 12, 2023	3,125,728	1,874,272	5,000,000	\$28.215	\$141
April 14, 2023	9,377,183	5,622,817	15,000,000	\$22.151	\$332

Reorganization Transactions

In connection with the IPO, the Company completed the following transactions (collectively the "Reorganization Transactions"):

- the formation of Core & Main as a Delaware corporation to function as the direct and indirect parent of Holdings and a publicly traded entity;
- the amendment and restatement of the limited partnership agreement of Holdings to, among other things first, modify the capital structure of Holdings and second, admit Core & Main as the general partner and a limited partner of Holdings;

- Core & Main's acquisition of the Partnership Interests held by certain Former Limited Partners (as defined below) and the issuance of Class A common stock to the Former Limited Partners, pursuant to the mergers of CD&R WW Advisor, LLC and CD&R WW Holdings, LLC (the "Blocker Companies") with and into Core & Main via merger subsidiaries of Core & Main (the "Blocker Mergers"); and
- entry into a Master Reorganization Agreement, dated as of July 22, 2021 (the "Master Reorganization Agreement"), with Holdings, the Continuing Limited Partners (as defined below), the Blocker Companies, CD&R Waterworks Holdings GP, CD&R Associates X Waterworks, L.P., CD&R WW Holdings, L.P., Core & Main GP, LLC, CD&R Plumb Buyer, LLC, CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P., CD&R Fund X-A Waterworks B, L.P., CD&R WW, LLC, Brooks Merger Sub 1, Inc. and Brooks Merger Sub 2, Inc., entities affiliated with CD&R. Pursuant to the Master Reorganization Agreement, the Former Limited Partners received Partnership Interests in exchange for their indirect ownership interests in Holdings and exchanged these Partnership Interests for shares of Class A common stock of Core & Main prior to the consummation of the IPO.

The Former "Former Limited Partners Partners" are defined as CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P., CD&R Fund X-A Waterworks B, L.P. and the other Original Limited Partners (as defined below) that transferred all or a portion of their Partnership Interests (including those held indirectly through the Blocker Companies) for shares of Class A common stock in connection with the Reorganization Transactions and the IPO, and represent entities that transferred all of their Partnership Interests (including Partnership Interests held indirectly through certain "blocker" corporations) for shares of Class A common stock in connection with the consummation of the Reorganization Transactions.

The Continuing "Continuing Limited Partners Partners" are defined as CD&R Waterworks Holdings, LLC ("CD&R Waterworks Holdings") and Core & Main Management Feeder, LLC ("Management Feeder"), and represent the Original Limited Partners that continued to own Partnership Interests after the Reorganization Transactions and that are entitled to exchange their Partnership Interests, together with the retirement of a corresponding number of shares of Class B common stock for shares of Class A common stock.

The Original "Original Limited Partners Partners" are defined as CD&R Waterworks Holdings, the Former Limited Partners and Management Feeder and represent the direct and indirect owners of Holdings prior to the Reorganization Transactions and the IPO.

Shareholder ownership as of January 29, 2023 January 28, 2024 includes the following:

- the shareholders of Core & Main, excluding the Continuing Limited Partners and Former Limited Partners, Management Feeder, collectively held 72,238,638 shares of Class A common stock;
- the Former Limited Partners collectively held 100,521,370 191,662,664 shares of Class A common stock;
- Core & Main, directly or indirectly through our wholly-owned subsidiary, held 172,765,161 191,663,608 Partnership Interests; and
- the Continuing Limited Partners Management Feeder collectively held 5,153 944 shares of Class A common stock, 73,229,675 9,630,186 Partnership Interests and 73,229,675 9,630,186 shares of Class B common stock.

Following the completion of the Secondary Offerings and the Repurchase Transactions in fiscal 2023, CD&R Waterworks Holdings and the Former Limited Partners (the "CD&R Investors") no longer own shares of Core & Main.

As the Reorganization Transactions were between entities under common control, the financial statements for the periods prior to the IPO and Reorganization Transactions have been adjusted to combine previously separate entities for presentation purposes. These entities include Core & Main, Holdings and its consolidated subsidiaries and the Blocker Companies. Prior to the Reorganization Transactions, Core & Main had no operations and the Blocker Companies were holding companies for indirect investments in Holdings. The Blocker Companies had no operations but did receive distributions from Holdings associated with their tax obligations from allocations of Holdings' Holdings' taxable income.

Basis of Presentation

The accompanying consolidated financial statements present the results of operations, financial position and cash flows of Core & Main and its subsidiaries, which includes the consolidated financial statements of Holdings and its consolidated subsidiary, Core & Main LP, as the legal entity that conducts the operations of the Company. Certain reclassification have been made to previously reported financial information to conform to the Company's current period presentation. Holdings is considered a variable interest entity. Core & Main is the primary beneficiary and general partner of Holdings and has decision making authority that significantly affects the economic performance of the entity. As a result, Core & Main consolidates the consolidated financial statements of Holdings. All intercompany balances and transactions have been eliminated in consolidation. The Company records non-controlling interests related to Partnership Interest held by the Continuing Limited Partners in Holdings.

For the periods prior to the Reorganization Transactions, the consolidated financial statements of the Company include the Blocker Companies, which were merged into Core & Main as part of the Blocker Mergers.

Segments

The Company's chief operating decision maker ("CODM") manages the business as a single operating and reportable segment. The Company operates approximately 820 335 branch locations across the U.S. The nature of the products and services, suppliers, customers and distribution methods are similar across branches. Accordingly, the CODM evaluates the performance of the business and makes management decisions on a consolidated basis. Performance is most notably measured based on Adjusted EBITDA at the consolidated level. The consolidated performance of the Company is utilized to determine incentive compensation for executive officers, annual merit decisions, management of national supplier relationships, allocation of resources and in evaluating acquisitions and the Company's Company's capital structure.

Fiscal Year

The Company's fiscal year is a 52- or 53-week period ending on the Sunday nearest to January 31st. Quarters within the fiscal year include 13-week periods, unless a fiscal year includes a 53rd week, in which case the fourth quarter of the fiscal year will be a 14-week period. The fiscal years ended January 28, 2024 ("fiscal 2023"), January 29, 2023 ("fiscal 2022"), and January 30, 2022 ("fiscal 2021") and January 31, 2021 ("fiscal 2020") included 52 weeks. The next fiscal year ending January 28, 2024 February 2, 2025 ("fiscal 2023" 2024") will also include 52 53 weeks.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

Management has made a number of estimates and assumptions relating to the reporting of certain assets and liabilities, the disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses in preparing the elements of these financial statements in conformity with U.S. generally accepted accounting principles ("GAAP"). Actual results could differ from these estimates.

Cash and Cash Equivalents

The Company classified all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. The Company maintains cash deposits according to a banking policy that requires diversification across a variety of highly-rated financial institutions. However, this **still results could result** in concentration of cash and cash equivalents across these financial institutions in excess of Federal Deposit Insurance Corporation-insured limits.

Allowance for Credit Losses

Accounts receivable are evaluated for collectability based on numerous factors, including past transaction history with customers, their credit worthiness, and an assessment of lien and bond rights. An allowance for credit losses is estimated as a percentage of aged receivables. This estimate is periodically adjusted when management becomes aware of a specific customer's inability to meet its financial obligations (e.g., a bankruptcy filing) or as a result of changes in historical collection patterns.

Inventories

Inventories are carried at the lower of cost or net realizable value. The cost of substantially all inventories is determined by the weighted average cost method. This evaluation includes an analysis of historical physical inventory results, a review of excess and obsolete inventories based on inventory aging and anticipated future demand. The carrying value of inventory includes the capitalization of inbound freight costs and is net of supplier rebates and purchase discounts for products not yet sold.

Consideration Received from Suppliers

The Company enters into agreements with many of its suppliers providing for inventory purchase rebates ("supplier rebates") upon achievement of specified volume purchasing levels and purchase discounts. The Company accrues the receipt of supplier rebates and purchase discounts as part of its cost of sales for products sold based on progress towards earning the supplier rebates, taking into consideration cumulative purchases of inventory to the measurement date and projected purchases through the end of the year. An estimate of supplier rebates and purchase discounts is included in the carrying value of inventory at each period end for supplier rebates to be received on products not yet sold. Supplier rebates and purchase discounts included in inventory were **\$43 million and \$77 million at January 28, 2024** and **\$49 million at January 29, 2023 and January 30, 2022**, respectively.

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method based on the following estimated useful lives of the assets:

Buildings and improvements	5 - 39 years
Transportation equipment	5 - 7 years
Furniture, fixtures and equipment	3 - 10 years
Capitalized software	3 - 7 years

Property and equipment assets are assessed for recovery when a triggering event occurs. A potential impairment is first evaluated by comparing the undiscounted cash flows associated with the asset, or the asset group it is part of, to its carrying value. If the carrying value is greater than the undiscounted cash flows, the amount of potential impairment is measured by comparing the fair value of the asset, or the asset group it is part of, with its carrying value. The Company assesses the remaining useful life and the recoverability of property and equipment assets whenever events or circumstances indicate that the carrying value of an asset may not be recoverable. Judgments regarding the existence of a triggering event are based on market and operational performance. Evaluating potential impairment also requires estimates of future operating results and cash flows. There were no **material** impairments of property and equipment assets during fiscal **2022, 2023**, fiscal **2021 2022** or fiscal **2020**.

Prepaid Cloud Computing Arrangements

The Company capitalizes certain implementation costs for cloud computing arrangements consistent with the same requirements for capitalizing implementation costs for internal-use software. The capitalized implementation costs are amortized on a straight-line basis over the term of the service agreement, in selling, general and administrative expenses, taking into consideration renewal options. The renewal period is included in the amortization period if determined that the option is reasonable certain to be exercised. **2021**.

Acquisitions and Goodwill

Amounts paid for acquisitions are allocated to the tangible assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The Company then allocates the purchase price in excess of net tangible assets acquired to identifiable intangible assets. The fair value of identifiable intangible assets is based on detailed valuations. The Company allocates any excess purchase price over the fair value of the net tangible and intangible assets acquired to goodwill.

The Company does not amortize goodwill but does conduct an impairment test of goodwill on an annual basis or whenever events or circumstances indicate that it is "more likely than not" that the fair value of its reporting unit has dropped below its carrying value. The annual goodwill impairment assessment for fiscal **2023 and fiscal 2022** consisted of a qualitative assessment to determine whether it is **"more likely than not"** that the fair value of the reporting unit exceeds its carrying value. The Company performed a quantitative assessment for fiscal **2021 and fiscal 2020, 2021**. The quantitative assessment is comprised of comparing the carrying value of a reporting unit to its estimated fair value. The Company estimates the fair value of the reporting unit based on a detailed valuation, utilizing an income approach based on the present value of future cash flows, a market approach based on multiples of sales and profit metrics of similar public companies and a market approach based on multiples of sales and profit metrics for purchase transactions of similar companies (all of which are considered level three measurement techniques). If the carrying value of the reporting unit exceeds its fair value, the Company will recognize the excess of the carrying value over the fair value as a goodwill impairment loss.

Intangible Assets

Finite-lived intangible assets consist primarily of customer relationships which are amortized over the periods during which the Company expects to generate net sales from these customer relationships. The determined amortization life of finite-lived intangible assets ranged from 10 to 15 years. Finite-lived intangible assets are assessed for impairment when a triggering event occurs. A potential impairment of finite-lived intangible assets is first evaluated by comparing the undiscounted cash flows associated with the asset, or the asset group it is part of, to its carrying value. If the carrying value is greater than the undiscounted cash flows, the amount of potential impairment is measured by comparing the fair value of the asset, or the asset group it is part of, with their carrying value. The Company assesses the remaining useful life and the recoverability of finite-lived intangible assets whenever events or circumstances indicate that the carrying value of an asset may not be recoverable. Judgments regarding the existence of a triggering event are based on market and operational performance. Evaluating potential impairment also requires estimates of future operating results and cash flows.

Internal use software is recognized separately as an intangible asset and is carried at cost less accumulated amortization. Cost may include software licenses and external and internal costs directly attributable to the development, design and implementation of the computer software. Costs in respect of training and data conversion are expensed as incurred.

All of the Company's intangible assets are subject to amortization.

Fair Value Measurement

The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable, accrued compensation and benefits and other current liabilities approximate fair value due to the short-term nature of these financial instruments. The Company's long-term financial assets and liabilities are generally recorded at historical costs. The carrying amounts of derivative assets or liabilities (see Note 6) and contingent consideration arrangements (see Note 4) are recorded at fair value.

Revenue Recognition

The Company's revenues are earned from contracts with customers. These contracts include written agreements and purchase orders as well as arrangements that are implied by customary business practices or law. The revenue contracts are primarily single performance obligations for the sale of product or performance of services for customers. Revenue is recognized when title is passed to the customer or services are provided in an amount that reflects the consideration the Company expects to be entitled to in exchange for the products and services, which is net of sales tax, customer incentives, returns and discounts. For product sales, the transfer of title generally occurs at the point of destination for products shipped by internal fleet and at the point of shipping for products shipped by third party third-party carriers. Revenues related to services are recognized in the period the services are performed and were approximately \$23 million, \$17 million \$19 million and \$15 \$19 million during fiscal 2023, fiscal 2022 and fiscal 2021, and fiscal 2020, respectively. Estimates for expected customer incentives, returns and discounts are based on historical experience, anticipated performance and management's judgment. Generally, the Company's contracts do not contain significant financing as the standard sales terms are short term in nature.

Shipping and Handling Fees and Costs

The Company includes shipping and handling fees billed to customers in net sales. Shipping and handling costs associated with inbound freight are capitalized to inventories and relieved through cost of sales as inventories are sold. Shipping and handling costs associated with outbound freight are included in selling, general and administrative expenses and totaled \$43 million, \$37 million \$27 million and \$20 \$27 million during fiscal 2023, fiscal 2022 and fiscal 2021, and fiscal 2020, respectively.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating losses and tax credit carryforwards. Deferred tax assets and liabilities are measured 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 effect on deferred tax assets and liabilities from a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies and results of recent operations. If it is determined that the Company is not able to realize deferred tax assets in the future, a valuation allowance would be established, which would impact the provision for income taxes.

Uncertain tax positions are recorded on the basis of a two-step process in which (1) it is determined if a tax position is more-likely-than-not of being sustained on the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority. The Company records interest and penalties related to uncertain tax positions in the provision for income taxes in the audited Consolidated Statements of Operations.

Concentration of Credit Risk

The majority of the Company's revenues are credit sales which are made primarily to customers whose ability to pay is dependent, in part, upon the economic strength of the construction industry in the areas where they operate and availability of municipal funding. Concentration of credit risk with respect to trade accounts receivable is limited by the large number of customers comprising the Company's customer base. The Company performs ongoing credit evaluations of its customers.

Leases

The Company determines if an arrangement is or contains a lease at inception. Obligations under operating leases are included in the Balance Sheets in both current and non-current operating lease liabilities, while the corresponding rights to use the leased assets are presented as operating lease right-of-use ("ROU") assets. Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the remaining lease payments. As the rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate, which is based on information available at the commencement date of the relevant lease, in determining the present value of future payments. The lease term includes an option to extend the lease when it is reasonably certain that the Company will exercise that option. Payment obligations related to real estate taxes, insurance and other lease components are excluded from the measurement of operating lease ROU assets and lease liabilities. The Company's lease agreements generally do not contain any material residual value guarantees or material restrictive covenants. The Company recognizes expense within selling, general and administrative expense associated with the accretion of operating lease liabilities and amortization of ROU assets in an amount calculated to result in straight-line expense over the lease terms.

Tax Receivable Agreements

In connection with the Reorganization Transactions and the IPO, Core & Main entered into a tax receivable agreement with the Former Limited Partners (the "Former Limited Partners Tax Receivable Agreement") and a tax receivable agreement with the Continuing Limited Partners (the "Continuing Limited Partners Tax Receivable Agreement") (collectively, the "Tax Receivable Agreements"). Core & Main **has generated, and** expects to generate additional, tax attributes associated with future exchanges of Partnership Interests by Continuing Limited Partners, that will reduce amounts that it would otherwise pay in the future to various tax authorities.

The Former Limited Partners Tax Receivable Agreement provides for the payment by Core & Main to certain Former Limited Partners, or their permitted transferees, of 85% of the tax benefits, if any, that Core & Main **actually** realizes, or in some circumstances is deemed to realize, as a result of (i) certain tax attributes of the Partnership Interests Core & Main holds in respect of such Former Limited Partners' interest in Core & Main, including such attributes which resulted from such Former Limited Partners' prior acquisition of ownership interests in Holdings and Core & **Main's Main's** allocable share of existing tax basis acquired in connection with the IPO attributable to the Former Limited Partners and (ii) certain other tax benefits.

The Continuing Limited Partners Tax Receivable Agreement provides for the payment by Core & Main to the Continuing Limited Partners, or their permitted transferees, of 85% of the benefits, if any, that Core & Main realizes, or in some circumstances is deemed to realize, as a result of (i) increases in tax basis or other similar tax benefits as a result of exchanges of Partnership Interests for cash or shares of Class A common stock pursuant to the Exchange Agreement, dated as of July 22, 2021 (the "Exchange Agreement"), by and among Core & Main, Holdings, CD&R Waterworks Holdings and Management Feeder, (ii) Core & Main's allocable share of existing tax basis acquired in connection with the IPO attributable to the Continuing Limited Partners and in connection with exchanges of Partnership Interests for cash or shares of Class A common stock pursuant to the Exchange Agreement and (iii) Core & Main's utilization of certain other tax benefits related to Core & **Main's Main's** entering into the Continuing Limited Partners Tax Receivable Agreement, including tax benefits attributable to payments under the Continuing Limited Partners Tax Receivable Agreement. Core & Main expects to obtain an increase in its share of the tax basis in the net assets of Holdings as Partnership Interests are exchanged by Continuing Limited Partners. Core & Main intends to treat any exchanges of Partnership Interests as direct purchases of Partnership Interests for U.S. federal income tax purposes. These increases in tax basis may reduce the amounts that it would otherwise pay in the future to various tax authorities.

Except to the extent that any benefits are deemed realized, Core & Main will receive the full benefit in tax savings from relevant taxing authorities and provide payment of 85% of the amount of any tax benefits to the Former Limited Partners or the Continuing Limited Partners, as applicable, or their permitted transferees. Core & Main expects to benefit from the remaining 15% of any cash tax savings, except to the extent of any deemed realizations. For the Tax Receivable Agreements, Core & Main assesses the tax attributes to determine if it is more likely than not that the benefit of any deferred tax assets will be realized. Following that assessment, Core & Main recognizes a liability under the applicable Tax Receivable Agreements, reflecting approximately 85% of the expected future realization of such tax benefits. Amounts payable under the Tax Receivable Agreements are contingent upon, among other things, (i) generation of sufficient future taxable income during the term of the applicable Tax Receivable Agreements and (ii) future changes in tax laws.

Upon an exchange transaction that increases the tax attributes available to Core & Main, an increase to deferred tax assets or reduction to deferred tax liabilities is recorded with a corresponding increase to equity. The recognition of the liability under the Tax Receivable Agreement is recorded with a corresponding reduction to equity. Both of these transactions impact equity as they are transactions with shareholders.

Equity-Based Compensation

The Company recognizes the cost of employee services received in exchange for awards of equity instruments based on the grant date fair value of those awards. That cost is recognized over the requisite service period (generally the vesting period), which is the period during which an employee is required to provide service in exchange for the award.

In connection with the Reorganization Transactions, which included the recapitalization of Management Feeder and entry into the Exchange Agreement, the equity awards issued by Holdings and held by Management Feeder were deemed to be modified for accounting purposes. The Company calculated the incremental fair value associated with the modification and recognized this incremental fair value immediately for each vested award with no remaining service period and over the remaining service period associated with each unvested award.

Basic and Diluted Earnings per Share

The accounting policy for basic and diluted earnings per share is described in Note 12.

Non-controlling Interests

The non-controlling interests represent the Partnership Interests of Holdings held by the Continuing Limited Partners. Income or loss is attributed to the non-controlling interests based on the weighted average percentage of Partnership Interests held by Continuing Limited Partners, excluding unvested Partnership Interests held by Management Feeder, relative to all Partnership Interests of Holdings. Non-controlling interests presented in the consolidated Balance Sheets represent the ownership percentage of Partnership Interests held by Continuing Limited Partners as of the balance sheet date multiplied by the equity of Holdings, prior to distributions, less distributions to non-controlling interest holders. The non-controlling interests' ownership percentage may fluctuate over time as the Continuing Limited Partners exchange Partnership Interests, together with the retirement of a corresponding number of shares of Class B common stock, for shares of Class A common stock and Partnership Interests held by Management Feeder vest.

Recent Accounting Pronouncements

Reference Rate Reform - In March 2020, the Financial Accounting Standards Board (the "FASB") issued **ASU Accounting Standards Update ("ASU")** No. 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting" ("ASU 2020-04"). The new guidance provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts and hedging relationships that reference the London Interbank Offered Rate ("LIBOR") or another reference rate expected to be discontinued because of reference rate reform. The expedients and exceptions provided by ASU 2020-04 are effective for prospective contract modifications made and qualifying hedging relationships entered into as of March 12, 2020 through December 31, 2024.

In February 2023, the Company amended the terms of the 2028 Senior Term Loan (as defined in Note 6) in order to implement a forward-looking rate based on the term secured overnight financing rate ("Term SOFR") in lieu of LIBOR. In addition, in February 2023, the Company amended the terms of the related interest rate swap to adjust the fixed interest rate and receive payments based upon the one-month Term SOFR rate, based on notional amounts associated with borrowings under the 2028 Senior Term Loan. There were no changes to the principal balances or maturity dates of these debt instruments. The amendments to the 2028 Senior Term Loan and related interest rate swap are related to the replacement of the reference rate, therefore these amendments are subject to the practical expedients in ASU 2020-04.

In July 2022, the Company amended the terms of the Senior ABL Credit Facility (as defined in Note 6) in order to, among other things, implement a forward-looking rate based on the term secured overnight financing rate ("Term SOFR") SOFR in lieu of LIBOR. The guidance of ASU 2020-04 did not have an impact on the assessment of the Senior ABL Credit Facility amendment.

At the time of a qualifying future transaction that replaces LIBOR with a new interest rate index, the Company will consider the application of ASU 2020-04.

Segment Reporting - In November 2023, the FASB issued ASU No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"). The new guidance expands reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 requires disclosure of (i) significant segment expenses that are regularly provided to the CODM and included within the segment measure of profit or loss, (ii) an amount and description of its composition for other segment items to reconcile to segment profit or loss, and (iii) the title and position of the Company's CODM. The ASU does not change how a public entity identifies its operating segments, aggregates them, or applies the quantitative thresholds to determine its reportable segments. ASU 2023-07 is effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the segment disclosure impact of the amended guidance; however, ASU 2023-07 is not expected to have an impact on its consolidated financial statements.

Income Tax Disclosures - In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"). The new guidance requires, on an annual basis, disclosure of specific categories in the rate reconciliation and disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for annual periods beginning after December 15, 2025. The adoption is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

3) REVENUE

Disaggregation of Revenue

The following table represents net sales disaggregated by product category:

Fiscal Years Ended					Fiscal Years Ended		
Fiscal Years Ended					Fiscal Years Ended		
Product Category	Product Category	January 29, 2023	January 30, 2022	January 31, 2021	Product Category	January 28, 2024	January 29, 2023
Pipes, valves & fittings products	Pipes, valves & fittings products	\$ 4,548	\$ 3,361	\$ 2,373			
Storm drainage products	Storm drainage products	949	687	489	Storm drainage products	985	949
Fire protection products	Fire protection products	701	565	414	Fire protection products	688	701
Meter products	Meter products	453	391	366	Meter products	525	453
Total Net Sales	Total Net Sales	\$ 6,651	\$ 5,004	\$ 3,642			

4) ACQUISITIONS

Trumbull Acquisition The Company made various acquisitions during fiscal 2023 (the "Fiscal 2023 Acquisitions"), fiscal 2022 (the "Fiscal 2022 Acquisitions") and fiscal 2021 (the "Fiscal 2021 Acquisitions") with an aggregate transaction value of \$244 million, \$124 million and \$174 million, subject to working capital adjustments, respectively. These transactions were funded with cash.

Fiscal 2023 Acquisitions

- On January 16, 2024, the Company acquired certain assets and assumed certain liabilities of Lee Supply Company, Inc. ("Lee Supply"). Lee Supply has four locations and is a leading specialty distributor and fabricator of fusible HDPE pipe and other related services, including HDPE fusion equipment rentals and custom fabrication.
- On December 4, 2023, the Company acquired certain assets and assumed certain liabilities of Granite Water Works, Inc. ("Granite Water Works"). Granite Water Works has one location and is a provider of water, wastewater and storm drainage products.
- On November 28, 2023, the Company acquired certain assets and assumed certain liabilities of Enviroscope Erosion Control Materials Ltd. and three affiliated entities (collectively "Enviroscope"). Enviroscope has one location and is a provider of geosynthetics and erosion control products.

- On July 12, 2023, the Company acquired all of the outstanding shares of J.W. D'Angelo Company, Inc. ("D'Angelo"). D'Angelo has three locations and is a full-service provider of fire protection and waterworks products.
- On July 10, 2023, the Company acquired certain assets and assumed certain liabilities of Foster Supply Inc. and R.P. Foster Inc. (collectively, "Foster Supply"). Foster Supply has seven locations and is a full-service provider of precast concrete structures, pipe, drainage materials and related geosynthetics products.
- On April 17, 2023, the Company acquired certain assets and assumed certain liabilities of Midwest Pipe Supply Inc. ("Midwest Pipe"). Midwest Pipe has one location and is a distributor of drainage and waterworks products.
- On April 10, 2023, the Company acquired certain assets and assumed certain liabilities of UPSCO Manufacturing & Distribution Company, UPSCO, Inc. and TMB Holdings, LLC (collectively, "UPSCO"). UPSCO is a provider of utility infrastructure products and services.
- On March 6, 2023, the Company acquired certain assets and assumed certain liabilities of Landscape & Construction Supplies LLC ("LCS"). LCS has two locations and is a provider of geosynthetics products.

Fiscal 2022 Acquisitions

- On December 5, 2022, the Company acquired certain assets and assumed certain liabilities of Lanier Municipal Supply Co. Inc. ("Lanier"). Lanier has four locations and is a full-service distributor of water, wastewater, storm drainage, agricultural and irrigation products.
- On October 10, 2022, the Company acquired certain assets and assumed certain liabilities of Distributors, Inc. ("Distributors"). Distributors has one location and distributes fire protection products.
- On October 3, 2022, the Company completed the acquisition of acquired certain assets and assumption of assumed certain liabilities of the municipal waterworks division of Trumbull Industries, Inc., as well as and acquired certain assets and assumption of assumed certain liabilities of an affiliated entity, Trumbull Manufacturing, Inc. (collectively "Trumbull"), in a transaction valued up to \$45 million, subject to working capital adjustments (the "Trumbull Acquisition"). Trumbull has three locations and distributes a variety of infrastructure products to the waterworks industry. The transaction price was funded with cash on hand. Given
- On August 8, 2022, the size Company acquired certain assets and assumed certain liabilities of the purchase price, a full purchase price allocation Inland Water Works Supply, Co. ("Inland"). Inland has not been presented. The preliminary purchase price allocation include \$23 million to net working capital, \$18 million to customer relationships one location and \$6 million to goodwill, distributes waterworks products.

Earthsavers Acquisition

- On June 28, 2022, the Company completed the acquisition of acquired certain assets and assumption of assumed certain liabilities of Earthsavers Erosion Control, LLC ("Earthsavers") in a transaction valued up to \$25 million, subject to working capital adjustments (the "Earthsavers Acquisition"). Earthsavers has three locations and produces and distributes a variety of geosynthetic materials, including wattles, erosion control blankets and a broad array of geotextile products. The transaction price was funded with cash on hand. Given
- On May 2, 2022, the size Company acquired certain assets and assumed certain liabilities of Lock City Supply, Inc. ("Lock City"). Lock City has one location and distributes waterworks products.
- On March 21, 2022, the purchase price, a full purchase price allocation Company acquired certain assets and assumed certain liabilities of Dodson Engineered Products, Inc. ("Dodson"). Dodson has not been presented. The preliminary purchase price allocation include \$9 million to goodwill, \$7 million to net working capital one location and \$7 million to customer relationships, distributes waterworks products.

L&M Acquisition

Fiscal 2021 Acquisitions

- On November 8, 2021, the Company acquired certain assets and assumed certain liabilities of Catalone Pipe & Supply Co. ("Catalone"). Catalone has one location and manufactures custom concrete catch basins.
- On October 6, 2021, the Company acquired certain assets and assumed certain liabilities of CES Industrial Piping Supply, LLC ("CES"). CES has one location and distributes fusible HDPE pipe, fittings and fusion machines.
- On August 30, 2021, the Company completed the acquisition of certain assets and assumption of certain liabilities of L&M Bag & Supply Co., Inc. ("L&M") in a transaction valued at \$60 million, subject to working capital adjustments (the "L&M Acquisition"). L&M is a specialized supplier of geotextile fabrics and geogrids, as well as silt fences, turbidity barriers and safety fences, weed control fabric and sod staples. The transaction price was funded with cash on hand.

Pacific Pipe Acquisition

- On August 9, 2021, the Company completed the acquisition of all of the outstanding shares of Pacific Pipe Company, Inc. ("Pacific Pipe") in a transaction valued at \$103 million, subject to working capital adjustments (the "Pacific Pipe Acquisition"). Pacific Pipe has four branch locations and serves municipalities and contractors in the water, wastewater, storm drainage and irrigation industries throughout Hawaii with a broad product offering. The transaction price was funded with cash on hand.

Water Works Supply Co.

- On August 17, 2020 March 1, 2021, the Company completed the acquisition of acquired certain assets and assumption of assumed certain liabilities of Water Works Triple T Pipe & Supply, Co. LLC. ("WWSC") in a transaction valued at approximately \$12 million, subject to a working capital adjustment (the "WWSC Acquisition" Triple T"). Triple T has one location and distributes waterworks products.

The following table represents the preliminary allocation of the transaction price was funded through to the fair value of identifiable assets acquired and liabilities assumed in the Fiscal 2023 Acquisitions and final allocation of the transaction price to the fair value of identifiable assets acquired and liabilities assumed in the Fiscal 2022 Acquisitions and Fiscal 2021 Acquisitions:

	Fiscal 2023 Acquisitions	Fiscal 2022 Acquisitions	Fiscal 2021 Acquisitions
Cash	\$ 5	\$ —	\$ 2
Receivables	47	22	19
Inventories	52	44	34
Intangible assets	107	43	71
Goodwill	25	21	62
Property, plant and equipment	35	7	11
Operating lease right-of-use assets	8	5	20
Other assets, current and non-current	4	4	1
Total assets acquired	283	146	220
Accounts payable	13	11	8
Deferred income taxes	8	—	12
Operating lease liabilities, current and non-current	8	5	20
Deferred consideration	8	3	—
Other liabilities, current and non-current	9	—	—
Net assets acquired	\$ 237	\$ 127	\$ 180

The net outflow of cash on hand. Given the size in respect of the purchase price, a full purchase price allocation has not been presented. However, significant components of the final purchase price allocation include \$6 million to customer relationships, \$3 million to net working capital, and \$2 million to goodwill, businesses is as follows:

R&B Co.

On March 11, 2020, the Company completed the acquisition of all of the outstanding shares of R&B Co. ("R&B") in a transaction valued at \$215 million, subject to a working capital adjustment (the "R&B Acquisition"). The transaction price consisted of \$212 million of initial cash consideration, subject to working capital adjustments, and \$3 million of contingent consideration to be paid upon satisfaction of certain conditions to either the sellers of R&B or certain former R&B employees and recognized as compensation expense. During fiscal 2021, the Company settled the R&B contingent consideration liability. With the R&B Acquisition, the Company added approximately 10 branch locations to the business, which expanded the Company's presence in California and strengthened the Company's ability to offer complementary waterworks products and fusible services. The transaction price was funded with cash on hand.

The R&B Acquisition included a contingent consideration arrangement of up to \$3 million that was payable to the R&B sellers if certain R&B employees failed to complete a post-acquisition one-year service period. The range of the undiscounted amounts payable by the Company under the contingent consideration agreement was between zero and \$3 million. The fair value of the contingent consideration recognized on the acquisition date of zero was determined based on the expectation that all former R&B employees would be retained during the one-year retention period (a level 3 fair value measurement based on unobservable inputs).

Other Acquisitions

During fiscal 2022, the Company completed the acquisition of certain assets and liabilities in transactions valued at \$54 million, subject to working capital adjustments (the "Other 2022 Acquisitions"). Given the lack of significance of these transactions, individually and in the aggregate, a full purchase price allocation has not been presented. However, a substantial portion of the aggregate purchase price was allocated to customer relationships, goodwill and net working capital.

During fiscal 2021, the Company completed the acquisition of certain assets and liabilities in transactions valued at \$11 million, subject to working capital adjustments (the "Other 2021 Acquisitions"). Given the lack of significance of these transactions, individually and in the aggregate, a full purchase price allocation has not been presented. However, a substantial portion of the aggregate purchase price was allocated to customer relationships, goodwill and net working capital.

	Fiscal 2023 Acquisitions	Fiscal 2022 Acquisitions	Fiscal 2021 Acquisitions
Net assets acquired	\$ 237	\$ 127	\$ 180
Plus: Working capital adjustment	(1)	1	1
Less: Cash acquired in acquisition	(5)	—	(2)
Total consideration, net of cash; investing cash outflow	\$ 231	\$ 128	\$ 179

In the above transactions, to the extent applicable, the excess of purchase price over net tangible and intangible assets acquired resulted in goodwill, which represents the assembled workforce and anticipated long-term growth in new markets, customers and products. Goodwill of \$11 million, \$21 million and \$21 million associated with the Trumbull Acquisition, the Earthsavers Acquisition, the L&M Acquisition, the WWSC Acquisition, Other Fiscal 2023 Acquisitions, Fiscal 2022 Acquisitions, and Other Fiscal 2021 Acquisitions, respectively, are fully deductible by the Company for U.S. income tax purposes.

The following table represents Intangible Assets

For the final allocation of the transaction price to the fair value of identifiable assets acquired Fiscal 2023 Acquisitions, Fiscal 2022 Acquisitions and liabilities assumed in the L&M Acquisition, Pacific Pipe Acquisition and R&B Acquisition:

	L&M Acquisition	Pacific Pipe Acquisition	R&B Acquisition
Cash	\$ —	\$ 2	\$ 3
Accounts receivable	7	10	25

Inventories	16	17	20
Intangible assets	19	47	114
Goodwill	18	41	89
Operating lease right-of-use assets	2	17	9
Other assets, current and non-current	5	6	11
Total assets acquired	67	140	271
Accounts payable	3	5	18
Deferred income taxes	—	12	31
Operating lease liabilities	2	17	9
Other liabilities, current and non-current	—	—	4
Net assets acquired	\$ 62	\$ 106	\$ 209

The following reconciles the total consideration to net assets acquired:

	L&M Acquisition	Pacific Pipe Acquisition	R&B Acquisition
Total consideration, net of cash	\$ 62	\$ 104	\$ 207
Less: Working capital adjustment	—	—	(1)
Plus: Cash acquired in acquisition	—	2	3
Net assets acquired; investing cash outflow	\$ 62	\$ 106	\$ 209

Pro Forma Financial Information

The following pro forma information presents a summary of the results of operations for the periods indicated as if the Pacific Pipe and L&M acquisitions had been completed as of February 3, 2020 and the R&B Acquisition and associated senior notes issuance had been completed as of February 4, 2019. The pro forma financial information is based on the historical financial information for the Company and Pacific Pipe, L&M and R&B, along with certain pro forma adjustments. These pro forma adjustments consist primarily of:

- Increased amortization expense related to Fiscal 2021 Acquisitions discussed above the intangible assets acquired in the acquisitions;
- Increased interest expense to reflect the fixed rate notes entered into in connection with the R&B Acquisition, including interest and amortization consist of deferred financing costs;
- Reclassification of direct acquisition transaction costs, retention bonuses and inventory fair value adjustments from the period incurred to periods these expenses would have been recognized given the assumed transaction dates identified above;
- The related income tax effects of the aforementioned adjustments and legal entity restructuring performed to effect the R&B Acquisition; and
- The related income tax effects of the aforementioned adjustments to the provision for income taxes for the Blocker Companies.

The following pro forma information has been prepared for comparative purposes only and is not necessarily indicative of the results of operations as they would have been had the acquisitions occurred on the assumed dates, nor is it necessarily an indication of future operating results. In addition, the pro forma information does not reflect the cost of any integration activities, benefits from any synergies that may be derived from the acquisitions or revenue growth that may be anticipated.

	Fiscal Years Ended	
	January 30, 2022	January 31, 2021
Net sales	\$ 5,081	\$ 3,793
Net income	\$ 235	\$ 37

As a result of integration of the acquisitions, including the consolidation of certain acquired and existing branches, it is impracticable to identify the explicit financial performance associated with the Pacific Pipe, L&M and R&B acquisitions. As such, the Company has not presented the post-acquisition net sales and net income for the Pacific Pipe, L&M and R&B acquisitions.

Intangible Assets

For each of the acquisitions discussed above, the Company valued intangible assets acquired, which included customer relationships non-compete agreements, and trademarks.

The customer relationship intangible assets represent the value associated with those customer relationships in place at the date of the respective acquisitions. Fiscal 2023 Acquisitions, Fiscal 2022 Acquisitions and Fiscal 2021 Acquisitions. The Company valued the customer relationships using an excess earnings method using various inputs such as customer attrition rate, revenue growth rate, gross margin percentage and discount rate. Cash flows associated with the existing relationships are expected to diminish over time due to customer turnover. The Company reflected this expected diminishing cash flow through the utilization of an annual customer attrition rate assumption and in its method of amortization.

The non-compete intangible asset represents the value associated with a non-compete agreement for former executives in place at the date of the respective acquisitions. The trademark intangible asset represents the value associated with the brand names in place at the date of the respective acquisitions.

A summary of the intangible assets acquired and assumptions utilized in the valuation, for the acquisitions is as follows:

	Intangible Asset Amount	Amortization Period	Discount Rate	Attrition Rate
L&M Acquisition				
Customer relationships	\$ 19	10 years	15.5 %	15.0 %
Pacific Pipe Acquisition				
Customer relationships	46	10 years	11.5 %	10.0 %
Trademark	1	2 years	11.5 %	N/A
R&B Acquisition				
Customer relationships	114	15 years	10.0 %	7.5 %

	Intangible Asset Amount	Weighted Average Amortization Period	Weighted Average Discount Rate	Weighted Average Attrition Rate
Customer Relationships				
Fiscal 2023 Acquisitions	\$ 106	10 years	16.0 %	13.2 %
Fiscal 2022 Acquisitions	43	10 years	15.6 %	12.1 %
Fiscal 2021 Acquisitions	70	10 years	12.7 %	11.6 %
Trademark				
Fiscal 2023 Acquisitions	\$ 1	2 years	15.5 %	N/A
Fiscal 2021 Acquisitions	1	2 years	13.0 %	N/A

5) GOODWILL AND INTANGIBLE ASSETS

Goodwill

The carrying amount of the Company's goodwill included in its Balance Sheets is as follows:

		January 29, 2023	January 30, 2022
January 28, 2024		January 28, 2024	
Gross Goodwill	Gross Goodwill	\$ 1,535	\$ 1,515
Accumulated Impairment	Accumulated Impairment	—	—
Net Goodwill	Net Goodwill	\$ 1,535	\$ 1,515

The changes in the carrying amount of goodwill are as follows:

		Fiscal Years Ended January 29, 2023	Fiscal Years Ended January 30, 2022
Fiscal Years Ended January 28, 2024		Fiscal Years Ended January 28, 2024	
Beginning Balance	Beginning Balance	\$ 1,515	\$ 1,453
Goodwill acquired during the year	Goodwill acquired during the year	20	62

Goodwill adjusted during the year			
Ending balance	Ending balance	\$ 1,535	\$ 1,515

Goodwill acquired during fiscal 2023 and fiscal 2022 was related to the Trumbull Acquisition, Earthsavers Acquisition Fiscal 2023 Acquisitions and Other Fiscal 2022 Acquisitions, and goodwill acquired during fiscal 2021 related to the Pacific Pipe Acquisition, L&M Acquisiton, WWSC Acquisition and Other 2021 Acquisitions, respectively, as further discussed in Note 4.

During the fiscal 2023 and fiscal 2022 annual goodwill impairment assessment, the Company performed a qualitative assessment. The qualitative assessment included evaluating economic, industry, regulatory and company specific factors that could impact the reporting unit fair value. These factors included historical and projected financial metrics (including net sales, operating cash flow and discount rate trends), public equity market trends and evaluation of the markets the Company serves. Based on the assessment it was determined that it is not "more likely than not" that the fair value of its reporting unit is less than the carrying value of its reporting unit in fiscal 2023 and fiscal 2022. Therefore, no further assessment was necessary.

During the fiscal 2021 and fiscal 2020 annual assessments, the Company tested goodwill for impairment by performing a quantitative assessment that compared the fair value of the reporting unit with its carrying value. There was no goodwill impairment during fiscal 2022, 2023, fiscal 2021 2022 or fiscal 2020, 2021.

The Company's analyses were based in part on the expectation of future market conditions, future net sales and operating cash flow growth and discount rates that would be used by market participants in an arms-length transaction. Should actual performance or expectations of long-term assumptions be lower than presently expected, the Company's goodwill could be impaired.

Intangible Assets

The Company's intangible assets included in its Balance Sheets consist of the following:

		January 29, 2023			January 30, 2022		
		Gross Intangible	Accumulated Amortization	Net Intangible	Gross Intangible	Accumulated Amortization	Net Intangible
		January 28, 2024			January 28, 2024		
		Gross Intangible			Gross Intangible	Accumulated Amortization	Net Intangible
Customer relationships	Customer relationships	\$ 1,390	\$ 597	\$ 793	\$ 1,347	\$ 478	\$ 869
Other intangible assets	Other intangible assets	5	3	2	4	2	2
Total	Total	\$ 1,395	\$ 600	\$ 795	\$ 1,351	\$ 480	\$ 871

Amortization expense related to intangible assets was as follows:

		Fiscal Years Ended		
		January 29, 2023	January 30, 2022	January 31, 2021
Amortization expense		\$ 120	\$ 120	\$ 118

		Fiscal Years Ended		
		January 28, 2024	January 29, 2023	January 30, 2022
Amortization expense		\$ 122	\$ 120	\$ 120

There were no intangible asset impairments during fiscal 2022, 2023, fiscal 2021 2022 or fiscal 2020.

2021.

The estimated aggregate amortization expense on intangible assets owned by the Company as of January 29, 2023 January 28, 2024 was expected to be as follows:

Fiscal 2023	\$	114
Fiscal 2024	106 \$	123
Fiscal 2025		98 113
Fiscal 2026		90 104
Fiscal 2027		84 96
Fiscal 2028		88

6) DEBT

Debt consisted of the following:

	January 29, 2023				January 30, 2022			
	Unamortized Discount and Debt Issuance		Unamortized Discount and Debt Issuance		Unamortized Discount and Debt Issuance		Unamortized Discount and Debt Issuance	
	Principal	Costs	Principal	Costs	Principal	Costs	Principal	Costs
	January 28, 2024				January 28, 2024			
	Principal				Unamortized Discount and Debt Issuance			
	Principal				Principal	Costs	Principal	Unamortized Discount and Debt Issuance Costs
Current maturities of long-term debt:	Current maturities of long-term debt:							
Senior Term Loan due July 2028	Senior Term Loan due July 2028							
Senior Term Loan due July 2028	Senior Term Loan due July 2028	\$ 15	\$ —	\$ 15	\$ —			
Long-term debt:	Long-term debt:							
Senior ABL Credit Facility due July 2026	Senior ABL Credit Facility due July 2026	—	—	—	—			
Senior ABL Credit Facility due July 2026	Senior ABL Credit Facility due July 2026							
Senior Term Loan due July 2028	Senior Term Loan due July 2028	1,463	19	1,478	22			

		1,463	19	1,478	22
		1,878			
Total	Total	\$ 1,478	\$ 19	\$ 1,493	\$ 22

The debt obligations as of **January 29, 2023** **January 28, 2024** include the following debt agreements:

2028 Senior Term Loan Facility

On July 27, 2021, Core & Main LP entered into a \$1,500 million **Senior Term Loan Facility**, **senior term loan**, which matures on July 27, 2028 (the "2028 Senior Term Loan"). The 2028 Senior Term Loan **Facility** was amended on February 26, 2023 in order to implement a forward-looking rate based on Term SOFR in lieu of LIBOR. The 2028 Senior Term Loan requires quarterly principal payments, payable on the last business day of each fiscal quarter in an amount equal to approximately 0.25% of the original principal amount of the 2028 Senior Term **Loan Facility**, **Loan**. The remaining balance is payable upon final maturity of the 2028 Senior Term Loan **Facility** on July 27, 2028. As of January 29, 2023, the The 2028 Senior Term Loan **Facility bore bears** interest at a rate equal to (i) **LIBOR Term SOFR** plus, in each case, an **effective** applicable margin of **2.50%** **2.60%** or (ii) the base rate, which **was will be** the highest of (x) the corporate base rate established by the administrative agent as its prime rate in effect at its principal office in New York City from time to time, (y) the overnight federal funds rate plus 0.50% per annum and (z) one-month **LIBOR Term SOFR** (adjusted for maximum reserves) plus 1.00% per annum, plus, in each case, an applicable margin of 1.50%. The 2028 Senior Term Loan **Facility was is** subject to a **LIBOR Term SOFR** "floor" of 0.00%. The **Senior Term Loan Facility** allows for an agreement between the **Company** and the administrative agent to amend the Senior Term Loan Facility to replace LIBOR with a comparable commercially available interest rate. The weighted average interest rate, excluding the effect of the interest rate swap, of Core & Main LP's outstanding borrowings under the 2028 Senior Term Loan **Facility** as of **January 29, 2023** **January 28, 2024** was **7.15%** **7.99%**. See further discussion of the interest rate swap below. Based on quotes from financial institutions (i.e., level 2 of the fair value hierarchy), the fair value of the 2028 Senior Term Loan **Facility** was **\$1,472** **\$1,461** million at January 29, 2023. Refer to Note 15 for a description as of our February 26, 2023 amendment to the Senior Term **Loan Facility** to implement a forward-looking rate based on Term SOFR in lieu of LIBOR. **January 28, 2024**.

Asset-Based Credit Facility

On July 29, 2022, Core & Main LP amended the terms of the credit agreement governing the **has a** senior asset-based revolving credit facility (as amended, the "Senior ABL Credit Facility") in order **with a borrowing capacity of up to** among other things, increase the aggregate amount of commitments under the asset-based revolving credit facility by \$400 million to \$1,250 million overall, , subject to borrowing base availability, and implement a rate based on Term SOFR in lieu of LIBOR. The Senior ABL Credit Facility has **with a** maturity date of July 27, 2026 (the "Senior ABL Credit Facility"). Borrowings under the Senior ABL Credit Facility bear interest at either a Term SOFR rate plus an applicable margin ranging from 1.25% to 1.75%, or an alternate base rate plus an applicable margin ranging from 0.25% to 0.75%, depending on the borrowing capacity under the Senior ABL Credit Facility. Additionally, Core & Main LP pays a fee of 0.25% on unfunded commitments under the Senior ABL Credit Facility. **There were no amounts** As of January 28, 2024 there was **\$430 million** outstanding under the Senior ABL Credit Facility **as with a weighted average interest rate of** **January 29, 2023** **8.75%**.

The book value of the Senior ABL Credit Facility approximates the fair value due to the variable interest rate nature of these borrowings.

The aforementioned debt agreements include customary affirmative and negative covenants, which include, among other things, restrictions on Core & Main LP's ability to pay dividends, create liens, incur additional indebtedness, make investments, dispose of assets and merge or consolidate with any other person. The 2028 Senior Term Loan **Facility** may require accelerated repayment based upon cash flows generated in excess of operating and investing requirements when the Consolidated Secured Leverage Ratio (as defined in the agreement governing the 2028 Senior Term **Loan Facility**) **Loan**) is greater than or equal to 3.25. No such repayment was required for any of the periods presented. In addition, the Senior ABL Credit Facility requires Core & Main LP to comply with a consolidated fixed charge coverage ratio of greater than or equal to 1.00 when availability under the Senior ABL Credit Facility is less than 10.0% of the lesser of (i) the then applicable borrowing base or (ii) the then aggregate effective commitments. The Company was in compliance with all debt covenants as of **January 29, 2023** **January 28, 2024**.

Substantially all of Core & Main LP's assets are pledged as collateral for the 2028 Senior Term Loan **Facility** and the Senior ABL Credit Facility.

The aggregate amount of debt payments for the next five fiscal years are as follows:

Fiscal 2023 2024	\$	15
Fiscal 2024		15
Fiscal 2025		15
Fiscal 2026		15,445
Fiscal 2027		15
Fiscal 2028		1,403

Interest Rate Swaps

On February 28, 2018, Core & Main LP entered into an instrument pursuant to which it made payments to a third party based upon a fixed interest rate of 2.725% and received payments based upon the three-month LIBOR rate, based on a \$500 million notional amount, which mirrored then outstanding borrowings under the Prior Term **Loan Facility**, **Loan**. On July 27, 2021, Core & Main LP repaid the approximately \$1,258 million outstanding under the Prior Term Loan **Facility** and settled the interest rate swap.

Accumulated Other Comprehensive Loss	Fiscal Years Ended	
	January 30, 2022	January 31, 2021
Beginning of period balance	\$ (8)	\$ (11)
Measurement adjustment (losses) for interest rate swap	—	(4)
Reclassification of expense to interest expense	4	8
Loss on debt modification and extinguishment	5	—
Tax (expense) on interest rate swap adjustments		

Measurement adjustment (losses) for interest rate swap	—	—
Reclassification of expense to interest expense	(1)	(1)
Loss on debt modification and extinguishment	—	—
End of period balance	\$ —	\$ (8)

	Fiscal Year Ended	
	January 30, 2022	
Beginning of period balance	\$	(8)
Reclassification of expense to interest expense		4
Loss on debt modification and extinguishment		5
Tax (expense) on interest rate swap adjustments		
Reclassification of expense to interest expense		(1)
Loss on debt modification and extinguishment		—
End of period balance	\$	—

On July 27, 2021, Core & Main LP entered into an instrument in which it makes payments to a third-party based upon a fixed interest rate of 0.74% and receives payments based upon the one-month LIBOR rate. On February 26, 2023, Core & Main LP amended the terms of this instrument to adjust the fixed interest rate to 0.693% and receive payments based upon the one-month Term SOFR rate, based on notional amounts associated with borrowings under the 2028 Senior Term Loan Facility. Loan. The measurement period of the interest rate swap commenced on July 27, 2021 with has a notional amount of \$1,000 million \$900 million as of January 28, 2024. The notional amount decreases to \$900 million on July 27, 2023, \$800 million on July 27, 2024, and \$700 million on July 27, 2025 through the instrument maturity on July 27, 2026. This instrument is intended to reduce the Company's Company's exposure to variable interest rates under the 2028 Senior Term Loan Facility. Loan. As of January 29, 2023 January 28, 2024, this instrument resulted in an effective fixed rate of 3.24% 3.293%, based upon the 0.74% 0.693% fixed rate plus an effective applicable margin of 2.50%, on \$1,000 million of borrowings under the Senior Term Loan Facility. 2.60%.

The fair value of this cash flow interest rate swap was a \$84 million \$67 million and \$31 million \$84 million asset as of January 29, 2023 January 28, 2024 and January 30, 2022 January 29, 2023, respectively, which is included within other assets in the Balance Sheet. The cash flows related to settlement of the interest rate swap are classified in the consolidated statements of cash flows based on the nature of the underlying hedged items. Fair value is based upon the present value of future cash flows under the terms of the contract and observable market inputs (level 2). Significant inputs used in determining fair value include forward-looking one-month LIBOR Term SOFR rates and the discount rate applied to projected cash flows.

		Fiscal Years Ended		Fiscal Years Ended			Fiscal Years Ended
Accumulated Other Comprehensive Income	Accumulated Other Comprehensive Income	January 29, 2023	January 30, 2022	Accumulated Other Comprehensive Income	January 28, 2024	January 29, 2023	January 30, 2022
Beginning of period balance	Beginning of period balance	\$ 26	\$ —				
Measurement adjustment gain for interest rate swap	Measurement adjustment gain for interest rate swap	66	28				
Reclassification of (income) expense to interest expense	Reclassification of (income) expense to interest expense	(13)	3				
Tax benefit (expense) on interest rate swap adjustments	Tax benefit (expense) on interest rate swap adjustments						
Measurement adjustment gain for interest rate swap	Measurement adjustment gain for interest rate swap	(11)	(4)				
Measurement adjustment gain for interest rate swap							

Measurement adjustment gain for interest rate swap			
Reclassification of (income) expense to interest expense	Reclassification of (income) expense to interest expense	2	(1)
Tax impact of exchange of Partnership Interests			
End of period balance	End of period balance	\$ 70	\$ 26

As of January 29, 2023 January 28, 2024, the Company estimates \$36 million \$35 million of the cash flow interest rate swap gains will be reclassified from accumulated other comprehensive income into earnings over the next 12 months.

Refer to Note 15 for a description of the amendment to the interest rate swap to receive payments based upon the one-month Term SOFR rate.

7) INCOME TAXES

As a result of the Reorganization Transactions, Core & Main became the general partner of Holdings, which is treated as a partnership for U.S. federal and most applicable state and local income tax purposes. As a partnership, Holdings is generally not subject to U.S. federal and certain state and local income taxes. Any taxable income or loss generated by Holdings is passed through to and included in the taxable income or loss of its partners, including Core & Main, following the Reorganization Transactions. Core & Main is subject to U.S. federal income taxes, in addition to state and local income taxes, with respect to its allocable share of any taxable income of Holdings following the Reorganization Transactions.

As the Reorganization Transactions are accounted for as transactions between entities under common control, the financial statements for the periods prior to the IPO and the Reorganization Transactions reflect the combination of previously separate entities for presentation purposes. These entities include Core & Main, Holdings and its consolidated subsidiaries and the Blocker Companies. The Blocker Companies were holding companies with indirect investments in Holdings. They had no operations but did receive distributions from Holdings for their tax obligations as a corporation based on the taxable income allocated to them from Holdings. The consolidated financial statements for periods prior to the Reorganization Transactions reflect the provision for income taxes and related balances on the balance sheet for the Blocker Companies.

The Provision provision for Income Taxes income taxes consisted of the following:

		Fiscal Years Ended		
		January 29, 2023	January 30, 2022	January 31, 2021
		2023	2022	2021
		Fiscal Years Ended		
		January 28, 2024	January 28, 2024	January 29, 2023
		2024	2024	2023
Current:	Current:			
Federal	Federal	\$ 110	\$ 55	\$ 12
Federal				
Federal				
State	State	25	13	3
		135	68	15
		126		
Deferred:	Deferred:			
Federal	Federal	(5)	(14)	(4)
Federal				
Federal				
State	State	(2)	(3)	(2)
		(7)	(17)	(6)
		2		
Total	Total	\$ 128	\$ 51	\$ 9

The reconciliations of the provision for income taxes at the federal corporate statutory rate of 21% to the tax provision for fiscal 2023, fiscal 2022 and fiscal 2021 and fiscal 2020 are as follows:

Fiscal Years Ended

		January 29, 2023	January 30, 2022	January 31, 2021				
		2023	2022	2021				
Fiscal Years Ended					Fiscal Years Ended			
January 28, 2024					January 28, 2024	January 29, 2023	January 30, 2022	
		2024						
Income taxes at federal statutory rate	Income taxes at federal statutory rate	21.0 %	21.0 %	21.0 %	Income taxes at federal statutory rate	21.0 %	21.0 %	21.0 %
State income taxes	State income taxes	3.2	3.8	3.6				
Partnership income not subject to U.S. tax	Partnership income not subject to U.S. tax	(6.3)	(8.5)	(9.1)				
Corporate subsidiary tax	Corporate subsidiary tax	0.1	1.3	—				
Permanent differences	Permanent differences	0.3	1.1	1.7				
Other	Other	(0.2)	(0.2)	2.4				
Total provision	Total provision	18.1 %	18.5 %	19.6 %	Total provision	18.1 %	18.5 %	

The variations between the Company's Company's estimated effective tax rate and the U.S. and state statutory rates are primarily due to the portion of the Company's Company's earnings attributable to non-controlling interests following the Reorganization Transactions partially offset by certain permanent book-tax differences.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities were as follows:

January 28, 2024		January 28, 2024	January 29, 2023
Deferred Tax			
Assets:			
Basis difference in partnership investments of Core & Main, Inc.			
Basis difference in partnership investments of Core & Main, Inc.			
Basis difference in partnership investments of Core & Main, Inc.			
Imputed interest on Tax Receivable Agreements			
Intangibles			
		January 29, 2023	January 30, 2022
Deferred Tax Assets:			

Imputed interest on Tax Receivable Agreements	\$	7	\$	5
Deferred Tax Liabilities:				
Deferred Tax Liabilities:				
Deferred Tax Liabilities:	Deferred Tax Liabilities:			
Intangibles	Intangibles	(1)		(1)
Basis difference in partnership investments		(15)		(39)
Deferred tax liabilities, net	\$	(9)	\$	(35)
Intangibles				
Intangibles				
Basis difference in partnership investments of Core & Main Buyer, Inc.				

The Company's operations have resulted in income, and as such, the Company maintains no valuation allowance against its deferred tax assets, including tax attributes recognized in connection with the Reorganization Transactions as described below.

Tax Receivable Agreements and Reorganization Transactions

In connection with the Reorganization Transactions and the IPO, Core & Main, entered into the Former Limited Partners Tax Receivable Agreement and the Continuing Limited Partners Tax Receivable Agreement. Core & Main expects to generate additional tax attributes, associated with future exchanges of Inc. Partnership Interests by Continuing Limited Partners, that will reduce amounts that it would otherwise pay in the future to various tax authorities. The Tax Receivable Agreements provide for the payment to either the Former Limited Partners or Continuing Limited Partners, or their permitted transferees, of 85% of the tax benefits realized by the Company, or in some circumstances are deemed to realize.

The Company recorded \$91 million and \$94 million payables to related parties pursuant to the Former Limited Partners Tax Receivable Agreement and the Continuing Limited Partners Tax Receivable Agreement, respectively, as of January 29, 2023. As of January 30, 2022, the Company had recorded \$92 million and \$61 million payables to related parties pursuant to the Former Limited Partners Tax Receivable Agreement and the Continuing Limited Partners Tax Receivable Agreement, respectively. Payments to the Former Limited Partners are expected to commence in fiscal year 2023 for which \$5 million is included within other current liabilities in the Balance Sheet.

The actual amount and timing of any potential additional payments under the Tax Receivable Agreements will vary depending upon a number of factors, including the timing of exchanges by the holders of Partnership Interests, the amount of gain recognized by such holders of Partnership Interests, the amount and timing of the taxable income the Company generates in the future and the federal tax rates then applicable. Assuming (i) that the Continuing Limited Partners exchanged all of their remaining Partnership Interests at \$21.67 per share of our Class A common stock (the closing stock price on January 27, 2023), (ii) no material changes in relevant tax law, (iii) a constant corporate tax rate of 25.1%, which represents a pro forma tax rate that includes a provision for U.S. federal income taxes and assumes the highest statutory rate apportioned to each state and local jurisdiction and (iv) that the Company earns sufficient taxable income in each year to realize on a current basis all tax benefits that are subject to the Continuing Limited Partners Tax Receivable Agreement, the Company would recognize a deferred tax asset (subject to offset with existing deferred tax liabilities) of approximately \$511 million and a Continuing Limited Partners Tax Receivable Agreement liability of approximately \$434 million, payable to the Continuing Limited Partners over the life of the Continuing Limited Partners Tax Receivable Agreement. The full exchange by the Continuing Limited Partners will also decrease Core & Main's aforementioned deferred tax asset associated with its investment in Holdings by \$145 million, as Core & Main recognizes the deferred tax consequences associated with the non-controlling Partnership Interests being exchanged. These amounts are estimates only and are subject to change.

Reorganization Transactions and IPO Deferred Tax Asset Investment

Prior to the Reorganization Transactions, the Blocker Companies were holding corporations for indirect investments in Holdings. The Blocker Companies had no operations but did receive distributions from Holdings associated with their tax obligations from allocations of Holdings taxable income. As such, the Blocker Companies' financial statements reflected a deferred tax liability associated with the difference between their financial reporting investment and tax basis in Holdings. In connection with the Blocker Mergers, Core & Main assumed the balance sheets of the Blocker Companies. The assumed deferred tax liability was adjusted to reflect the IPO, the IPO Overallotment Option Exercise and subsequent book-tax differences. Subsequent exchanges of Partnership Interests by Continuing Limited Partners created additional tax basis that may reduce taxable income in the future. This resulted in the recognition of deferred tax assets that have been partially offset by incremental recognition of the deferred tax liability assumed from the Blocker Companies. As of January 29, 2023, January 28, 2024 and January 30, 2022, the Company had a \$26 \$491 million and \$3 \$26 million, respectively, in deferred tax asset associated with the difference between Core & Main's financial reporting basis and the tax basis of Core & Main's investment in Holdings.

Buyer Deferred Tax Liability

As referenced in Note 4, on August 9, 2021 and March 11, 2020, the Company completed the acquisitions of all the outstanding shares of Pacific Pipe and R&B, respectively, both corporations for income tax purposes. The acquisitions were completed certain acquired companies through Core & Main Buyer, Inc. ("Buyer"), a wholly-owned subsidiary of the Company. Buyer subsequently contributed Pacific Pipe and R&B these acquired companies to Core & Main LP. As part of the opening balance sheet, Buyer recorded deferred tax liabilities of \$12 \$8 million and \$31 million for Pacific Pipe and R&B, respectively, during fiscal 2023 related to the difference between Buyer's financial reporting basis and tax basis of Buyer's investment in Core & Main LP. The taxable income that is allocated to Buyer, for its contribution of Pacific Pipe and R&B these acquired companies to Core & Main LP, is subject to corporate federal and state income tax in substantially all fifty states. As of January 29, 2023 January 28, 2024 and January 30, 2022 January 29, 2023, this deferred tax liability was \$50 million and \$41 million, respectively.

Tax Receivable Agreements and \$42 Reorganization Transactions

In connection with the Reorganization Transactions and the IPO, Core & Main entered into the Former Limited Partners Tax Receivable Agreement and the Continuing Limited Partners Tax Receivable Agreement. Core & Main expects to generate additional tax attributes, associated with future exchanges of Partnership Interests by Continuing Limited Partners, that will reduce amounts that it would otherwise pay in the future to various tax authorities. The Tax Receivable Agreements provide for the payment to either the Former Limited Partners or Continuing Limited Partners, or their permitted transferees, of 85% of the tax benefits realized by the Company, or in some circumstances are deemed to be realized.

The Company recorded payables to related parties pursuant to the Tax Receivable Agreements of \$717 million and \$185 million as of January 28, 2024 and January 29, 2023, respectively. Payments under the Tax Receivable Agreements within the next 12 months are expected to be \$11 million, which is included within other current liabilities in the Balance Sheet.

The actual amount and timing of any potential additional payments under the Tax Receivable Agreements will vary depending upon a number of factors, including the timing of exchanges by the holders of Partnership Interests, the amount of gain recognized by such holders of Partnership Interests, the amount and timing of the taxable income the Company generates in the future and the federal tax rates then applicable. Assuming (i) that the Continuing Limited Partners exchanged all of their remaining Partnership Interests at \$40.55 per share of our Class A common stock (the closing stock price on January 26, 2024), (ii) no material changes in relevant tax law, (iii) a constant corporate tax rate of 25.1%, which represents a pro forma tax rate that includes a provision for U.S. federal income taxes and assumes the highest statutory rate apportioned to each state and local jurisdiction and (iv) that the Company earns sufficient taxable income in each year to realize on a current basis all tax benefits that are subject to the Continuing Limited Partners Tax Receivable Agreement, the Company would recognize a deferred tax asset (subject to offset with existing deferred tax liabilities) of approximately \$108 million and a Continuing Limited Partners Tax Receivable Agreement liability of approximately \$92 million, payable to the Continuing Limited Partners over the life of the Continuing Limited Partners Tax Receivable Agreement. The full exchange by the Continuing Limited Partners will also decrease Core & Main's aforementioned deferred tax asset associated with its investment in Holdings by \$4 million, as Core & Main recognizes the deferred tax consequences associated with the non-controlling Partnership Interests being exchanged. These amounts are estimates only and are subject to change.

Uncertain tax positions

Total gross unrecognized tax benefits as of January 29, 2023 January 28, 2024 and January 30, 2022 January 29, 2023, as well as activity within each of the years, were not material.

8) LEASES

The Company occupies certain facilities and operates certain equipment and vehicles under operating leases that expire at various dates through the year 2037.

The table below presents lease costs associated with facility, equipment and vehicle operating leases:

Fiscal Years Ended										Fiscal Years Ended
Fiscal Years Ended										Fiscal Years Ended
Lease	Lease		January	January	January	Lease Cost	Classification	January 28, 2024	January 29, 2023	January 30, 2022
Cost	Cost	Classification	29, 2023	30, 2022	31, 2021					
Operating	Operating	Selling, general, and administrative expense	\$ 69	\$ 58	\$ 53					

Future aggregate rental payments under non-cancelable operating leases as of January 29, 2023 January 28, 2024 are as follows:

	January 29, 2023	28, 2024
Fiscal 2023	\$	57
Fiscal 2024	46 \$	65
Fiscal 2025		36 53
Fiscal 2026		23 40
Fiscal 2027		29
Fiscal 2028		15
Thereafter		21 16
Total minimum lease payments		198 218
Less: present value discount		(23) (25)
Present value of lease liabilities	\$	175 193

To calculate the present value of the operating lease liabilities, the Company determined its incremental borrowing rate by considering market and company specific factors, including interest rates for borrowings secured by collateral and adjusted for the remaining term of the leased facility, machinery, or vehicle categories. The table below presents the weighted average remaining lease term (years) and the weighted average discount rate of the Company's Company's operating leases:

Operating Lease Term and Discount Rate	Operating Lease Term and Discount Rate	January 29, 2023	January 30, 2022	Operating Lease Term and Discount Rate	January 28, 2024	January 29, 2023
Weighted average remaining lease term (years)	Weighted average remaining lease term (years)	3.0	2.9	Weighted average remaining lease term (years)	4.0	3.0
Weighted average discount rate	Weighted average discount rate	4.5 %	3.8 %	Weighted average discount rate	5.3 %	4.5 %

The table below presents cash and non-cash impacts associated with leases:

	Fiscal Years Ended		
	January 29, 2023	January 30, 2022	January 31, 2021
Cash paid for amounts included in the measurements of lease liabilities			
Operating cash flows from operating leases	\$ 69	\$ 58	\$ 53
Right-of-use assets obtained in exchange for new lease liabilities			
Operating leases	\$ 68	\$ 47	\$ 35

	Fiscal Years Ended		
	January 28, 2024	January 29, 2023	January 30, 2022
Operating cash flow payments for operating lease liabilities	\$ 54	\$ 50	\$ 44
Operating cash flow payments for non-lease components	26	19	14
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 65	\$ 68	\$ 47

The non-cash impact related to right-of-use ROU assets obtained in exchange for new operating lease liabilities in the table above excludes the impact from acquisitions. Right-of-use ROU assets acquired as part of the Pacific Pipe, L&M and R&B acquisitions are presented in Note 4.

9) COMMITMENTS AND CONTINGENCIES

Purchase Obligations

As of January 29, 2023 January 28, 2024, the Company had agreements in place with various suppliers to purchase goods and services, primarily inventory, in the aggregate amount of \$1,423 1,033 million. These purchase obligations are generally cancellable, but the Company foresees no intent does not currently intend to cancel. Payment is dependent on lead times from our suppliers, and could be extended due to supply chain disruptions. Payments are generally expected to be made during fiscal 2023 2024 for these obligations.

Encumbered Assets

As of **January 29, 2023** **January 28, 2024**, substantially all of the Company's assets were pledged as collateral for the Company's credit facilities.

Legal Matters

The Company is involved in various legal proceedings arising in the normal course of its business. The Company establishes reserves for litigation and similar matters when those matters present loss contingencies that it determines to be both probable and reasonably estimable. As of **January 29, 2023** **January 28, 2024** and **January 30, 2022** **January 29, 2023**, these established reserves for litigation were not material. In the opinion of management, based on current knowledge, all probable and reasonably estimable matters are believed to be adequately reserved for or covered by insurance and are not expected to have a material adverse effect on the Company's financial condition, results of operations or cash flows. For all other matters, management believes the possibility of losses from such matters is not probable, the potential loss from such matters is not reasonably estimable, or such matters are of such kind or involve such amounts that would not have a material adverse effect on the financial position, results of operations or cash flows of the Company if resolved unfavorably.

Self-Insurance

The Company has high deductible insurance programs for most losses related to general liability, product liability, automobile liability and workers' compensation, and is self-insured for medical claims, while maintaining per employee stop loss coverage, and certain legal claims. The expected ultimate cost for claims incurred as of the balance sheet date is not discounted and is recognized as a liability in the accompanying Balance Sheets. The Company's self-insurance losses for claims filed and claims incurred but not reported are accrued based upon estimates of the aggregate liability for uninsured claims using loss development factors and actuarial assumptions followed in the insurance industry and historical loss development experience. At **January 29, 2023** **January 28, 2024** and **January 30, 2022** **January 29, 2023**, the **Company's** **Company's** self-insurance liabilities totaled **\$27 million** **\$28 million** and **\$25** **\$27 million**, respectively.

Continuing Limited Partners Tax Receivable Agreement

Core & Main is party to the Continuing Limited Partners Tax Receivable Agreement, which will result in the recognition of deferred tax benefits and liabilities upon the exchange of Partnership Interests, together with the retirement of a corresponding number of shares of the Company's Class B common stock, by the Continuing Limited Partners for shares of Class A common stock of Core & Main or cash pursuant to the Exchange Agreement. See further discussion in Note 1 and Note 7.

10) SUPPLEMENTAL **BALANCE SHEET** **FINANCIAL STATEMENT** INFORMATION

Receivables

Receivables consisted of the following:

		January 29, 2023	January 30, 2022	
January 28, 2024		January 28, 2024		January 29, 2023
Trade receivables, net of allowance for credit losses	Trade receivables, net of allowance for credit losses	\$ 851	\$ 784	
Supplier rebate receivables	Supplier rebate receivables	104	100	
Receivables, net of allowance for credit losses	Receivables, net of allowance for credit losses	\$ 955	\$ 884	

Property, Plant and Equipment

Property, plant and equipment consisted of the following:

		January 29, 2023	January 30, 2022
Land		\$ 24	\$ 23
Buildings and improvements		56	39
Transportation equipment		33	30
Furniture, fixtures and equipment		77	71
Capitalized software		19	17
Construction in progress		3	6
Property, plant and equipment		212	186
Less accumulated depreciation and amortization		(107)	(92)
Property, plant and equipment, net		\$ 105	\$ 94

January 28, 2024	January 29, 2023

Land	\$	38	\$	24
Buildings and improvements		80		56
Transportation equipment		41		33
Furniture, fixtures and equipment		98		77
Capitalized software		23		19
Construction in progress		5		3
Property, plant and equipment		285		212
Less accumulated depreciation and amortization		(134)		(107)
Property, plant and equipment, net	\$	151	\$	105

Depreciation expense is classified within cost of sales and depreciation and amortization within the Statement of Operations. Depreciation expense related to property, plant and equipment, including capitalized software, was as follows:

	Fiscal Years Ended		
	January 29, 2023	January 30, 2022	January 31, 2021
Depreciation expense	\$ 23	\$ 22	\$ 23

	Fiscal Years Ended		
	January 28, 2024	January 29, 2023	January 30, 2022
Depreciation expense	\$ 27	\$ 23	\$ 22

Accrued Compensation and Benefits

Accrued compensation and benefits consisted of the following:

		January 29, 2023	January 30, 2022
January 28, 2024			
January 28, 2024			
January 29, 2023			
Accrued bonuses and commissions	Accrued bonuses and commissions	\$ 100	\$ 85
Other compensation and benefits	Other compensation and benefits	23	24
Accrued compensation and benefits	Accrued compensation and benefits	\$ 123	\$ 109

11) NON-CONTROLLING INTERESTS

Core & Main is the general partner of Holdings and operates and controls all of the business and affairs of Holdings and, through Holdings and its subsidiaries, conducts the Company's business. Accordingly, Core & Main consolidates the consolidated financial statements of Holdings and attributes a portion of net income and equity of Holdings to non-controlling interests related to the vested Partnership Interests held by the Continuing Limited Partners. Income or loss is attributed to the non-controlling interests based on the weighted average percentage of Partnership Interests held by Continuing Limited Partners, excluding unvested Partnership Interests held by Management Feeder, relative to all Partnership Interests of Holdings during the period following the Reorganization Transactions. Holdings equity is attributed to non-controlling interests based on the Partnership Interests held by Continuing Limited Partners, excluding unvested Partnership Interests held by Management Feeder, relative to all Partnership Interests as of the balance sheet date. The non-controlling interests' ownership percentage may fluctuate over time as the Continuing Limited Partners exchange Partnership Interests, together with the retirement of a corresponding number of shares of Class B common stock, for shares of Class A common stock and as Partnership Interests held by Management Feeder vest. The following table summarizes the ownership of Partnership Interests of Holdings (excluding unvested Partnership Interests held by Management Feeder):

	Partnership Interests			Ownership Percentage		
	Continuing Limited			Core & Main	Continuing Limited	
	Core & Main	Partners	Total	Main	Partners	Total
Balances at July 23, 2021	119,950,882	80,834,811	200,785,693	59.7 %	40.3 %	100.0 %
Issuance of Partnership Interests	40,116,279	—	40,116,279	6.7 %	(6.7) %	—

Exchange of Partnership Interests	7,455,242	(7,455,242)	—	3.1 %	(3.1) %	—
Vesting of Partnership Interests	—	1,964,839	1,964,839	(0.5)%	0.5 %	—
Partnership Interests						
	Core & Main				Core & Main	Continuing Limited Partners
Balances at January 30, 2022	Balances at January 30, 2022	167,522,403	75,344,408	242,866,811	69.0 %	31.0 % 100.0 %
Issuance of Partnership Interests	Issuance of Partnership Interests	110,644	—	110,644	— %	— % —
Exchange of Partnership Interests	Exchange of Partnership Interests	5,132,134	(5,133,763)	(1,629)	2.1 %	(2.1) % —
Forfeiture of Partnership Interests	Forfeiture of Partnership Interests	(20)	—	(20)	— %	— % —
Vesting of Partnership Interests	Vesting of Partnership Interests	—	2,260,828	2,260,828	(0.7)%	0.7 % —
Balances at January 29, 2023	Balances at January 29, 2023	172,765,161	72,471,473	245,236,634	70.4 %	29.6 % 100.0 %
Retirement of Partnership Interests						
Issuance of Partnership Interests						
Exchange of Partnership Interests						
Vesting of Partnership Interests						
Balances at January 28, 2024	Balances at January 28, 2024	191,663,608	9,243,276	200,906,884		

12) BASIC AND DILUTED EARNINGS PER SHARE

The following table presents the calculation of basic and diluted earnings per share for fiscal year ended January 28, 2024, January 29, 2023 and from July 23, 2021 to January 30, 2022, the period following the Reorganization Transactions.

Basic earnings per share is computed by dividing net income attributable to Core & Main for the period following the Reorganization Transactions by the weighted average number of shares of Class A common stock outstanding during the same period. Shares of Class A common stock issued during the period were weighted for the portion of the period in which the shares of Class A common stock were outstanding. The Company did not apply the two-class method because shares of Class B common stock do not participate in earnings of Core & Main. As a result, the shares of Class B common stock are not considered participating securities and are not included in the weighted average

shares outstanding for purposes of basic earnings per share. Net income allocated to holders of non-controlling interests was excluded from net income available to the Class A common stock. There were no preferred dividends and no shares of preferred stock outstanding for the period.

The diluted net earnings per share calculation includes the basic weighted average number of shares of Class A common stock outstanding plus the dilutive impact of potential outstanding shares of Class A common stock that would be issued upon exchange of Partnership Interests, together with the retirement of a corresponding number of shares of Class B common stock, under the if-converted method, if dilutive. The treasury stock method is applied to outstanding awards, including unvested Partnership Interests and outstanding stock appreciation rights, restricted stock units and stock options.

		Fiscal Year Ended January 29, 2023	July 23, 2021 through January 30, 2022			
Basic earnings per share:	Fiscal Year Ended January 28, 2024	Basic earnings per share:	Fiscal Year Ended January 29, 2023	July 23, 2021 through January 30, 2022	Fiscal Year Ended January 28, 2024	Fiscal Year Ended January 29, 2023
Net income				July 23, 2021 through January 30, 2022		
Net income						
Net income	Net income	\$ 581	\$ 151			
Net income attributable to non-controlling interests	Net income attributable to non-controlling interests	215	61			
Net income available to Class A common stock	Net income available to Class A common stock	366	90			
Weighted average shares outstanding	Weighted average shares outstanding	169,482,199	159,188,391			
Net income per share	Net income per share	\$ 2.16	\$ 0.57			
Diluted earnings per share:	Diluted earnings per share:					
Net income available to common shareholders	Net income available to common shareholders					
- basic	- basic	\$ 366	\$ 90			
Net income available to common shareholders - basic						
Net income available to common shareholders - basic						
Increase to net income attributable to dilutive instruments	Increase to net income attributable to dilutive instruments	159	44			
Net income available to common shareholders - diluted	Net income available to common shareholders - diluted	525	134			
Weighted	Weighted					

model with the following weighted-average assumptions:

		January 30, 2022	January 31, 2021		
January 30, 2022				January 30, 2022	
Risk-free interest rate	Risk-free interest rate	0.78%	0.63%	Risk-free interest rate	0.78%
Dividend yield	Dividend yield	—%	—%	Dividend yield	—%
Expected volatility factor	Expected volatility factor	50%	50%	Expected volatility factor	50%
Discount for lack of marketability	Discount for lack of marketability	20%	26%	Discount for lack of marketability	20%
Expected life in years	Expected life in years	5.0	5.0	Expected life in years	5.0
Weighted-average fair value	Weighted-average fair value	\$ 6.27	\$ 2.99	Weighted-average fair value	\$ 6.27

The risk free interest rate was determined based on an analysis of U.S. Treasury zero-coupon market yields as of the date of the profits units grant for issues having expiration lives similar to the expected life of the profits units. The expected volatility was based on an analysis of the historical volatility of a peer group over the expected life of the profits units. As insufficient data exists to determine the historical life of the profits units, the expected life was determined based on the Company's estimate of when a liquidity event may occur based on market conditions and prior investments of CD&R.

Stock Appreciation Rights

A summary of the stock appreciation rights is presented below (shares in thousands):

Number of Shares		Number of Shares		Weighted Average Exercise Price		Aggregate Intrinsic Value	
Outstanding as of January 29, 2023							
Exchanged							
Exchanged							
Exchanged							
Outstanding as of January 28, 2024							
Outstanding as of January 28, 2024							
Outstanding as of January 28, 2024							
		Weighted Average	Aggregate				
		Number of	Exercise				
		Shares	Price				
Outstanding as of January 30, 2022		581	\$ 4.67				
Exchanged		(25)	5.44				
Outstanding as of January 29, 2023		556	\$ 4.65	\$	9		

Exercisable as of January 29, 2023	376	\$	3.54	\$	7
Exercisable as of January 28, 2024					
Exercisable as of January 28, 2024					
Exercisable as of January 28, 2024					

The estimated fair value of the stock appreciation rights when granted was amortized to expense over the vesting or required service period. The fair value for these stock appreciation rights was estimated by management, after considering a third-party valuation specialist's assessment, at the date of grant based on the expected life of the unit appreciation rights, using a Black-Scholes pricing model with the following weighted-average assumptions:

	January 30, 2022
Risk-free interest rate	0.78%
Dividend yield	—%
Expected volatility factor	50%
Discount for lack of marketability	20%
Expected life in years	5.0
Weighted-average fair value	\$ 6.27

The risk free interest rate was determined based on an analysis of U.S. Treasury zero-coupon market yields as of the date of the unit appreciation rights grant for issues having expiration lives similar to the expected life of the unit appreciation rights. The expected volatility was based on an analysis of the historical volatility of a peer group over the expected life of the unit appreciation rights. As insufficient data exists to determine the historical life of the unit appreciation rights, the expected life was determined based on the Company's estimate of when a liquidity event may occur based on market conditions and prior investments of CD&R.

Omnibus Incentive Plan

In July 2021, in connection with the IPO, Core & Main's sole stockholder approved and Core & Main's board of directors adopted the 2021 Omnibus Equity Incentive Plan (the "Omnibus Incentive Plan"). Under the Omnibus Incentive Plan, 12,600,000 12,600 thousand shares of Class A common stock, plus 633,683 634 thousand shares of Class A common stock in respect of stock appreciation rights that were converted from unit appreciation rights of Holdings outstanding prior to the IPO, are reserved for the awards granted and available for future issuance. issuances.

Restricted Stock Units

A summary of the restricted stock units granted under the Omnibus Incentive Plan is presented below (shares in thousands):

		Weighted Average Grant Date Fair Value
Outstanding and Unvested as of January 30, 2022	20	\$ 27.43
Number of Shares	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding and Unvested as of January 29, 2023		
Granted	Granted 240	21.49
Distributed	Distributed (7)	25.37
Forfeited	Forfeited (4)	23.29
Outstanding and Unvested as of January 29, 2023	249	\$ 21.84

Outstanding and Unvested as of January 28, 2024

The restricted stock units generally vest over a three-year period. The estimated fair value of the restricted stock units when granted was amortized over the vesting period. The grant date fair value of RSUs was determined based on the price of the Company's Class A common stock on the grant date.

Stock Options

A summary of the stock options granted under the Omnibus Incentive Plan is presented below (shares in thousands):

Number of Shares	Number of Shares		Weighted Average Exercise Price		Weighted Average Remaining Contractual Term (Years)		Aggregate Intrinsic Value	
Outstanding as of January 29, 2023								
Granted								
Granted								
Granted								
Exercised								
Exercised								
Exercised								
Forfeitures								
Forfeitures								
Forfeitures								
Outstanding as of January 28, 2024								
Outstanding as of January 28, 2024								
Outstanding as of January 28, 2024								
	Weighted Average		Weighted Average Remaining		Contractual		Aggregate	
	Number of	Exercise	Term					
	Shares	Price	(Years)					
Outstanding as of January 30, 2022	—	\$	—					
Granted	787	20.81						
Forfeitures	(11)	20.81						
Outstanding as of January 29, 2023	776	\$	20.81	9.1	\$	1		
Exercisable as of January 29, 2023	11	\$	20.81	9.1	\$	—		
Exercisable as of January 28, 2024								

Exercisable
as of
January 28,
2024

Exercisable
as of
January 28,
2024

The stock options generally vest over a three-year period and expire after ten years. The estimated grant-date fair value of stock options when granted was amortized to expense over the vesting period. The fair value for these stock options was estimated by management, after considering a third-party valuation specialist's assessment, at the date of grant based on the expected life of the stock options, using a Black-Scholes pricing model with the following weighted-average assumptions:

January 29, 2023					
January 28, 2024		January 28, 2024		January 29, 2023	
Risk-free interest rate	Risk-free interest rate	1.85%	Risk-free interest rate	3.87%	1.85%
Dividend yield	Dividend yield	—%	Dividend yield	2.0%	—%
Expected volatility factor	Expected volatility factor	40%	Expected volatility factor	40%	40%
Expected life in years	Expected life in years	6.0	Expected life in years	6.0	6.0
Weighted-average fair value	Weighted-average fair value	\$ 8.55	Weighted-average fair value	\$ 8.06	\$ 8.55

The risk free interest rate was determined based on an analysis of U.S. Treasury zero-coupon market yields as of the date of the stock options grant for issues having expiration lives similar to the expected life of the stock options. The expected volatility was based on an analysis of the historical volatility of a peer group over the expected life of the stock options. The expected term in years for each stock option was calculated using a simplified method based on the average of each option's vesting term of three years and contractual term of ten years.

Employee Stock Purchase Plan

In July 2021, Core & Main's sole stockholder approved and Core & Main's board of directors adopted the Employee Stock Purchase Plan (the "ESPP"). Under the ESPP, 2,500,000 2,500 thousand shares of Class A common stock are reserved and available for future purchase. For fiscal 2023, 108 thousand shares of Class A common shares were purchased under the ESPP at a weighted-average price of \$33.28 per share, resulting in cash proceeds of approximately \$3 million. For fiscal 2022, 92 thousand shares of Class A common shares were purchased under the ESPP at a weighted-average price of \$18.35 per share, resulting in cash proceeds of approximately \$1 million.

Compensation Expense

The Company evaluated the conversions of the profits units and unit appreciation rights as part of the Reorganization Transactions and concluded that each represented an accounting modification of the original awards. As such, the Company is required to recognize the incremental fair value immediately after each modification compared with immediately before as additional compensation expense. Incremental compensation expense for awards that were vested as of the Reorganization Transactions were recognized immediately and expense for unvested awards will be recognized over the remaining service period. The Company recognized compensation expense of \$10 million, \$11 million \$25 million and \$4 \$25 million during fiscal 2023, fiscal 2022 and fiscal 2021, and fiscal 2020, respectively. As of January 29, 2023 January 28, 2024, the unrecognized share based compensation was \$10 \$13 million which is expected to be recognized over a weighted average period of 1.1 0.9 years.

Employee Benefit Plans

The Company offers a comprehensive Health & Welfare Benefits Program (the "Program") which allows employees who satisfy certain eligibility requirements to choose among different levels and types of coverage. The Program provides employees healthcare coverage in which the employer and employee share costs. In addition, the Program offers employees the opportunity to participate in various voluntary coverages, including flexible spending accounts and health savings accounts. The Company maintains a 401(k) defined contribution plan that is qualified under Sections 401(a) and 501(a) of the Internal Revenue Code. Employees of the Company who satisfy the plan's eligibility requirements may elect to contribute a portion of their compensation to the plan on a pre-tax basis. The Company may match a percentage of the employees' contributions to the plan based on eligible compensation deferred. Matching contributions are generally made shortly after the end of each pay period. The Company recorded expenses of \$11 million \$12 million, \$9 million \$11 million and \$7 million \$9 million related to matching contributions during fiscal 2023, fiscal 2022 and fiscal 2021, and fiscal 2020, respectively.

14) RELATED PARTIES

CD&R affiliates

During fiscal 2022, fiscal 2021 and fiscal 2020, the Company had \$2 million, \$2 million and \$1 million of purchases of product, respectively, from affiliates of Clayton, Dubilier & Rice, LLC ("CD&R"), including other companies invested in by funds affiliated with or managed by CD&R (the "CD&R Funds"). There were no amounts payable to affiliates of CD&R at January 29, 2023 and January 30, 2022. During fiscal 2022, fiscal 2021 and fiscal 2020, the Company had \$4 million, \$6 million and \$1 million in sales to affiliates of CD&R, respectively. There were \$2 million and no amounts receivable from affiliates of CD&R at January 29, 2023 and January 30, 2022.

Tax Receivable Agreements

In connection with the Reorganization Transactions, Core & Main entered into the Former Limited Partners Tax Receivable Agreement with the Former Limited Partners and the Continuing Limited Partners Tax Receivable Agreement with the Continuing Limited Partners. See further discussion in Note 1 and Note 7.

Master Reorganization Agreement

In connection with the Reorganization Transactions, Core & Main entered into the Master Reorganization Agreement as further described in Note 1. Pursuant to the Master Reorganization Agreement, the Former Limited Partners received Partnership Interests in exchange for their indirect ownership interests in Holdings and exchanged these Partnership Interests for shares of Class A common stock of Core & Main prior to the consummation of the IPO.

Exchange Agreement

In connection with the Reorganization Transactions, Core & Main entered into the Exchange Agreement as further described in Note 1, 2. Pursuant to the Exchange Agreement, the Continuing Limited Partners (or their permitted transferees) will have the right, subject to the terms of the Exchange Agreement, to exchange their Partnership Interests, together with the retirement of a corresponding number of shares of Class B common stock, for shares of Class A common stock generally on a one-for-one basis or for cash in limited circumstances as specified in the Exchange Agreement. Holders of Partnership Interests will not have the right to exchange Partnership Interests if Core & Main determines that such exchange would be prohibited by law or regulation or would violate other agreements with Core & Main or its subsidiaries to which the holder of Partnership Interests may be subject. Core & Main may also refuse to honor any request to effect an exchange if it determines such exchange would pose a material risk that Holdings would be treated as a "publicly traded partnership" for U.S. federal income tax purposes. Notwithstanding the foregoing, the Continuing Limited Partners are generally permitted to exchange Partnership Interests, subject to the terms of the Exchange Agreement.

The Exchange Agreement also provides that, in connection with any such exchange, to the extent that Holdings has, since consummation of the Reorganization Transactions and the IPO, made distributions to the applicable Continuing Limited Partner that are proportionately lesser or greater than the distributions made to Core & Main, on a pro rata basis, the number of shares of Class A common stock to be issued or cash to be paid to such Continuing Limited Partner will be adjusted to take into account the amount of such discrepancy that is allocable to the Partnership Interests, and Class B common stock, subject to such exchange. As of January 29, 2023 January 28, 2024, the Company had a shareholder receivables of \$6 \$10 million recorded within additional paid in capital related to distributions in excess of shareholders' pro rata share. Core & Main expects to cause Holdings to make distributions to its partners in such a manner as generally to limit increases to the number of shares of Class A common stock to be issued or cash to be paid to exchanging Continuing Limited Partners in connection with the adjustment described in the preceding sentence.

15) SUBSEQUENT EVENTS

On February 26, 2023 February 9, 2024, Core & Main LP entered into a new \$750 million incremental seven-year term loan (the "2031 Senior Term Loan"), which matures on February 9, 2031. The 2031 Senior Term Loan requires quarterly principal payments, payable on the Company last business day of each fiscal quarter in an amount equal to approximately 0.25% of the original principal amount of the 2031 Senior Term Loan. The remaining balance is payable upon final maturity of the 2031 Senior Term Loan on February 9, 2031. The 2031 Senior Term Loan bears interest at a rate equal to (i) Term SOFR plus, in each case, an applicable margin of 2.25% or (ii) an alternate base rate plus an applicable margin of 1.25%. The 2031 Senior Term Loan is subject to a Term SOFR "floor" of 0.00%.

On February 9, 2024, Core & Main LP amended the terms of the credit agreement governing the Senior Term Loan ABL Credit Facility (as amended, the "New Senior ABL Credit Facility") in order to, among other things, implement a forward-looking rate based on Term SOFR in lieu of LIBOR plus a 0.10% credit spread adjustment. In addition, in February 2023, extend the Company amended the terms maturity of the related interest rate swap Senior ABL Credit Facility from July 27, 2026 to adjust February 9, 2029 and amend the credit agreement governing the New Senior ABL Credit Facility to the extent necessary or appropriate to reflect the extension of the amended maturity.

On February 12, 2024, Core & Main LP entered into an instrument pursuant to which it will make payments to a third party based upon a fixed interest rate to 0.693% of 3.913% and receive payments based upon the one-month Term SOFR rate, based on notional amounts associated with borrowings under the Senior Term Loan Facility. There were no changes to the principal balances or maturity dates of these debt instruments. rate. The amendments to the Senior Term Loan Facility and related interest rate swap are related has a starting notional amount of \$750 million that increases to \$1,500 million on July 27, 2026 through the replacement instrument maturity on July 27, 2028. The instrument is intended to reduce the Company's exposure to variable interest rates under the 2031 Senior Term Loan.

Subsequent to January 28, 2024, the Company acquired all of the reference rate outstanding shares of Dana Kepner Company LLC and perform associated entities. ("Dana Kepner") and acquired certain assets and assumed certain liabilities of Eastern Supply Inc. and a related spread adjustments to effect the transition for reference rate reform. Therefore, these amendments are entity ("Eastern Supply") in transactions with an aggregate transaction value of \$548 million, subject to working capital adjustments (the "Fiscal 2024 Acquisitions"). Dana Kepner has twenty-one locations and is a distributor of water, wastewater, storm drainage, and geotextile products, along with specialty tools and accessories. Eastern Supply has two branches and is a distributor of a broad range of storm drainage products, with custom fabrication capabilities. Given the practical expedients in ASU 2020-04, recent closure of the Fiscal 2024 acquisitions, the preliminary purchase price allocation is not available as of the issuance date, however is expected to primarily be ascribed to customer relationships, working capital, and fixed assets with the residual balance going to goodwill.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosures

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic and current reports under the Exchange Act that we file with the SEC is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer), as appropriate, to allow timely decisions regarding required disclosure. Our management, with the participation of our Chief Executive Officer (Principal Executive Officer) and Chief

Financial Officer (Principal Financial Officer), evaluated, as of the end of the period covered by this Annual Report on Form 10-K, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer) concluded that, as of **January 29, 2023** **January 28, 2024**, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth quarter of fiscal **2022** **2023** that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. As of **January 29, 2023** **January 28, 2024**, management conducted an assessment of the effectiveness of the Company's internal control over financial reporting based upon the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework (2013). Based on management's assessment utilizing these criteria, our management concluded that our internal control over financial reporting was effective. The effectiveness of our internal control over financial reporting, as of **January 29, 2023** **January 28, 2024**, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in its report, which is included in Part II, Item 8: "Financial Statements and Supplementary Data." of this Annual Report on Form 10-K.

Limitations on Effectiveness of Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Item 9B. Other Information

None. Item 408(a) of Regulation S-K requires the Company to disclose whether any of its directors or officers have adopted or terminated (i) any trading arrangement that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c); and/or (ii) any written trading arrangement that meets the requirements of a "non-Rule 10b5-1 trading arrangement" as defined in Item 408(c) of Regulation S-K. During the quarter ended January 28, 2024, the following activity occurred requiring disclosure under Item 408(a) of Regulation S-K.

Mark G. Whittenburg, General Counsel and Secretary, adopted a new trading arrangement on December 19, 2023 providing for the sale of up to 100,000 aggregate shares of the Company's Class A common stock between March 19, 2024 and September 19, 2024.

John W. Stephens, Vice President, Corporate Controller, adopted a new trading arrangement on December 19, 2023 providing for the sale of up to 30,000 aggregate shares of the Company's Class A common stock between March 19, 2024 and September 19, 2024.

Mark R. Witkowski, Chief Financial Officer, adopted a new trading arrangement on December 20, 2023 providing for the sale of up to 100,000 aggregate shares of the Company's Class A common stock between April 8, 2024 and October 8, 2024.

Each of the above trading arrangements is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act and the Company's Policy on Trading in Securities.

Item 9C. Disclosure Regarding Foreign Jurisdiction that Prevent Inspections

None.

Part III

Item 10. Directors, Executive Officers and Corporate Governance

Certain information with respect to this Item will be set forth in the definitive proxy statement for our **2023** **2024** Annual Meeting of **Shareholders** **Stockholders** (the "**2023**" **2024** Proxy Statement"), which will be filed with the SEC no later than 120 days after **January 29, 2023** **January 28, 2024** and is incorporated herein by reference.

Item 11. Executive Compensation

Certain information with respect to this Item will be set forth in our **2023** **2024** Proxy Statement, which will be filed with the SEC no later than 120 days after **January 29, 2023** **January 28, 2024** and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Certain information with respect to this Item will be set forth in our **2023** **2024** Proxy Statement, which will be filed with the SEC no later than 120 days after **January 29, 2023** **January 28, 2024** and is incorporated herein by reference.

Item 13. Certain Relationships and Related Party Transactions, and Director Independence

Certain information with respect to this Item will be set forth in our **2023** **2024** Proxy Statement, which will be filed with the SEC no later than 120 days after **January 29, 2023** **January 28, 2024** and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

Certain information with respect to this Item will be set forth in our 2023 2024 Proxy Statement, which will be filed with the SEC no later than 120 days after January 29, 2023 January 28, 2024 and is incorporated herein by reference.

Part IV**Item 15. Exhibits and Financial Statement Schedules**

(a) The following documents are filed as part of this Annual Report on Form 10-K:

1. Consolidated Financial Statements

Our consolidated financial statements are included in Part II, Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

2. Financial Statement Schedules**Schedule I****Condensed Financial Information of Parent:**

Condensed Balance Sheet as of January 29, 2023 and January 30, 2022

Condensed Statement of Operations and Comprehensive Income for the Fiscal Year Ended January 29, 2023 and period from April 9, 2021 to January 30, 2022

Condensed Statement of Cash Flows for the Fiscal Year Ended January 29, 2023 and period from April 9, 2021 to January 30, 2022

Schedule II

Valuation and Qualifying Accounts and Reserves for the fiscal years ended January 29, 2023, January 30, 2022 and January 31, 2021

Schedule I and II should be read in conjunction with the aforementioned consolidated financial statements. Certain schedules None. Schedules not included have been omitted because they are not applicable or because not material or the required data information is shown in the aforementioned consolidated financial statements.

Schedule I — Condensed Financial Information of Parent

CORE & MAIN, INC.
PARENT COMPANY ONLY
CONDENSED BALANCE SHEET

Amounts in millions (except share and per share data)

	January 29, 2023	January 30, 2022
ASSETS		
Current assets:		
Prepaid expenses and other current assets	\$ 2	\$ —
Total current assets	2	—
Investment in subsidiaries	1,569	1,154
Goodwill	330	330
Deferred tax asset	33	9
Total assets	\$ 1,934	\$ 1,493
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accrued income taxes	\$ 1	\$ 12
Other current liabilities	6	3
Total current liabilities	7	15
Payable to related parties pursuant to Tax Receivable Agreements	180	153
Total liabilities	187	168
Class A common stock, par value \$0.01 per share, 1,000,000,000 shares authorized, 172,765,161 and 167,522,403 shares issued and outstanding as of January 29, 2023 and January 30, 2022, respectively	2	2
Class B common stock, par value \$0.01 per share, 500,000,000 shares authorized, 73,229,675 and 78,398,141 shares issued and outstanding as of January 29, 2023 and January 30, 2022, respectively	1	1
Additional paid-in capital	1,241	1,214
Retained earnings	458	92
Accumulated other comprehensive income	45	16
Total stockholders' equity	1,747	1,325
Total liabilities and stockholders' equity	\$ 1,934	\$ 1,493

See Notes to Condensed Financial Statements.

CORE & MAIN, INC.

PARENT COMPANY ONLY
CONDENSED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME
Amounts in millions

	Fiscal Year Ended January 29, 2023	Period from April 9, 2021 to January 30, 2022
Equity in net income of subsidiary	\$ 486	\$ 119
Income before provision for income taxes	486	119
Provision for income taxes	120	27
Net income	366	92
Net interest rate swap gain, net of tax (expense) of \$(9) and \$(5)	27	18
Comprehensive income	\$ 393	\$ 110

See Notes to Condensed Financial Statements.

CORE & MAIN, INC.
PARENT COMPANY ONLY
CONDENSED STATEMENT OF CASH FLOWS
Amounts in millions

	Fiscal Year Ended January 29, 2023	Period from April 9, 2021 to January 30, 2022
Cash Flows From Operating Activities:		
Net cash provided by operating activities	\$ —	\$ —
Cash Flows From Investing Activities:		
Investment in subsidiary	(1)	(756)
Net cash used in investing activities	(1)	(756)
Cash Flows From Financing Activities:		
IPO proceeds, net of underwriting discounts and commissions	—	664
Offering proceeds from underwriters' option, net of underwriting discounts and commissions	—	100
Payments for offering costs	—	(8)
Proceeds from issuance of common stock from employee equity plans	1	—
Net cash provided by financing activities	1	756
Change in cash and cash equivalents	—	—
Cash and cash equivalents at the beginning of the period	—	—
Cash and cash equivalents at the end of the period	\$ —	\$ —
Cash paid for taxes	\$ 138	\$ 36

See Notes to Condensed Financial Statements.

Notes to Parent Company Only Condensed Financial Statements

1) BASIS OF PRESENTATION

The parent company financial statements are intended to present the condensed financial information of Core & Main, Inc. that was formed on April 9, 2021, as described in Basis of Presentation & Description of Business under Part II, Item 8 of this report ("Note 1"). As the parent company did not exist prior to April 9, 2021, no parent company information has been presented prior to this date. The parent company condensed financial statements should be read in conjunction with the Company's consolidated financial statements and the accompanying notes thereto included in Part II, Item 8.8. Financial Statements and Supplementary Data of this report. For purposes of the parent company's condensed financial information, the Company's majority owned subsidiary is recorded based upon its proportionate share of the subsidiary's net assets (similar to presenting them on the equity method).

Initial Public Offering

On July 27, 2021, Core & Main, Inc. completed its initial public offering of 34,883,721 shares of Class A common stock at a price to the public of \$20.00 per share. On August 20, 2021, Core & Main, Inc. issued 5,232,558 shares of Class A common stock pursuant to the full exercise of the underwriters' option to purchase additional shares of Class A common stock at the initial public offering price of \$20.00 per share. On January 10, 2022, a secondary public offering of 20,000,000 shares of Class A common stock by certain

selling stockholders affiliated with Clayton, Dubilier & Rice, LLC was completed at a price to the public of \$26.00 per share. On September 19, 2022, a secondary public offering of 11,000,000 shares of Class A common stock by certain selling stockholders affiliated with Clayton, Dubilier & Rice, LLC was completed at a price to the public of \$23.75 per share. See Note 1 to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K. 10-K.

2) INCOME TAXES

See Income Taxes under Part II, Item 8 of this report ("Note 7") to the consolidated financial statements, included elsewhere in this Annual Report on Form 10-K for additional information on the income tax provision of Core & Main, Inc. and the Tax Receivable Agreements.

Schedule II — Valuation and Qualifying Accounts and Reserves

Amounts in millions

Column A	Column B		Column C	Column D	Column E
Description	Balance at beginning of period		Additions - charged to cost and expense	Deductions ⁽¹⁾	Balance at End of Period
Fiscal Year Ended January 29, 2023					
Allowance for credit losses	\$	5	\$ 5	\$ 1	\$ 9
Fiscal Year Ended January 30, 2022					
Allowance for credit losses	\$	5	\$ 2	\$ 2	\$ 5
Fiscal Year Ended January 31, 2021					
Allowance for credit losses	\$	7	\$ 2	\$ 4	\$ 5

(1) Consists of uncollectible accounts written off, net of recoveries.

3. Exhibits

(b) The documents listed in the Exhibit Index of this Annual Report on Form 10-K are filed, furnished, or incorporated by reference in this Annual Report on Form 10-K, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K).

Exhibit Number	Description
2.1	Master Reorganization Agreement, dated as of July 22, 2021, by and among Core & Main, Inc., CD&R Associates X Waterworks, L.P., CD&R Waterworks Holdings GP, Ltd., CD&R WW Holdings, L.P., CD&R Waterworks Holdings, L.P., Core & Main Management Feeder, LLC, Core & Main GP, LLC, CD&R Plumb Buyer, LLC, Core & Main Holdings, LP, CD&R Fund X Waterworks B1, L.P., CD&R Fund X-A Waterworks B, L.P., CD&R Fund X Advisor Waterworks B, L.P., CD&R WW Holdings, LLC, CD&R WW, LLC, CD&R WW Advisor, LLC, Brooks Merger Sub 1, Inc., Brooks Merger Sub 2, Inc. and CD&R Waterworks Holdings, LLC (incorporated by reference to Exhibit 2.1 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021).
3.1	Amended and Restated Certificate of Incorporation of Core & Main, Inc. (incorporated by reference to Exhibit 3.1 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021).
3.2	Amended and Restated By-laws of Core & Main, Inc. (incorporated by reference to Exhibit 3.2 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021).
4.1	Description of Securities Registered Pursuant to Section 12(b) of the Exchange Act (incorporated by reference to Exhibit 4.1 of Core & Main's Main's Annual Report on Form 10-K for the fiscal year ended January 30, 2022 (File (File No. 001-40650) 001-40650)).
10.1.1	Credit Agreement, dated as of August 1, 2017, by and among Core & Main LP, as borrower, Citibank, N.A., as administrative agent and collateral agent, and the other financial institutions and lenders from time to time party thereto (incorporated by reference to Exhibit 10.1.1 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 (File No. 333-256382)).
10.1.2	Amendment No. 1 to the Credit Agreement, dated as of July 8, 2019, by and among Core & Main LP, as borrower, Citibank, N.A., as administrative agent and collateral agent, and the other financial institutions and lenders party thereto (incorporated by reference to Exhibit 10.1.2 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 (File No. 333-256382)).
10.1.3	Amendment No. 2 to the Credit Agreement, dated as of May 4, 2020, by and among Core & Main LP, as borrower, Citibank, N.A., as administrative agent and collateral agent, and the other financial institutions and lenders party thereto (incorporated by reference to Exhibit 10.1.3 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 (File No. 333-256382)).
10.1.4	Amendment No. 3 to the ABL Credit Agreement, dated as of July 27, 2021, by and among Core & Main LP, the several banks and other financial institutions party thereto and Citibank, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.10 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021).
10.1.5	Amendment No. 4 to the Credit Agreement, dated as of July 29, 2022, by and among Core & Main, LP, the several banks and other financial institutions party thereto and Citibank, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to Core & Main's Current Report on Form 8-K, filed on August 1, 2022 (File No. 001-40650)).

- 10.1.6 [Credit Agreement, dated as of August 1, 2017, by and among Core & Main LP, as borrower, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and the other financial institutions and lenders from time to time party thereto \(incorporated by reference to Exhibit 10.1.5 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 \(File No. 333-256382\)\)](#).
- 10.1.7 [Lender Joinder Agreement, dated as of July 8, 2019, by and among Core & Main LP, as borrower, JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, and the additional lender party thereto \(incorporated by reference to Exhibit 10.1.6 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 \(File No. 333-256382\)\)](#).
- 10.1.8 [First Amendment to the Credit Agreement, dated as of July 27, 2021, by and among Core & Main LP, the several banks and other financial institutions party thereto and JPMorgan Chase Bank, N.A., as administrative agent \(incorporated by reference to Exhibit 10.9 to Core & Main's Current Report on Form 8-K, filed on July 21, 2021\)](#).
- 10.1.9*10.1.9 [Second Amendment to the Credit Agreement, dated as of February 26, 2023, by and among Core & Main LP, the several banks and financial institutions party thereto and JPMorgan Chase Bank, N.A., as administrative agent, agent \(incorporated by reference to Exhibit 10.1.9 to Core & Main's Annual Report on Form 10-K for the fiscal year ended January 29, 2023 \(File No. 001-40650\)\)](#).
- 10.2 [Stockholders Agreement, dated as of July 22, 2021, by and among Core & Main, Inc., CD&R Waterworks Holdings, LLC, CD&R Fund X Advisor Waterworks B, L, CD&R Fund X Waterworks B1, L.P., and CD&R Fund X-A Waterworks B, L.P. \(incorporated by reference to Exhibit 10.3 to Core & Main's Current Report on Form K, filed on July 28, 2021\)](#).
- 10.3 [Registration Rights Agreement, dated as of July 27, 2021, by and among Core & Main, Inc., CD&R Waterworks Holdings, LLC, CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P. and CD&R Fund X-A Waterworks B, L.P. \(incorporated by reference to Exhibit 10.2 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021\)](#).
- 10.4 [Exchange Agreement, dated as of July 22, 2021 by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Waterworks Holdings, LLC and Core & Main Management Feeder, LLC \(incorporated by reference to Exhibit 10.8 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021\)](#).
- 10.5 [Amendment to the Exchange Agreement, dated as of January 3, 2022 \(incorporated by reference to Exhibit 10.5 to Core & Main's Registration Statement on Form S-1, filed on January 3, 2022 \(File No. 333-261978\)\)](#).
- 10.6* [Second Amendment to the Exchange Agreement, dated as of December 7, 2023, by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Waterworks Holdings, LLC and Core & Main Management Feeder, LLC](#).
- 10.6 [Former Limited Partners Tax Receivable Agreement, dated as of July 22, 2021, by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P. and CD&R Fund X-A Waterworks B, L.P. \(incorporated by reference to Exhibit 10.6 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021\)](#).
- 10.710.8 [Continuing Limited Partners Tax Receivable Agreement, dated as of July 22, 2021, by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Waterworks Holdings, LLC, and Core & Main Management Feeder, LLC \(incorporated by reference to Exhibit 10.7 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021\)](#).
- 10.810.9 [Second Amended and Restated Agreement of Limited Partnership of Core & Main Holdings, LP \(incorporated by reference to Exhibit 10.1 to Core & Main's Current Report on Form 8-K, filed on July 28, 2021\)](#).
- 10.910.10 [Form of Indemnification Agreement entered into between Core & Main, Inc. and each of its directors and executive officers \(incorporated by reference to Exhibit 10.8 to Core & Main's Registration Statement on Form S-1, filed on July 6, 2021 \(File No. 333-256382\)\)](#).
- 10.1010.11 [Indemnification Agreement, dated as of August 1, 2017, among Core & Main Holdings, LP, Core & Main LP, CD&R and the other parties thereto \(incorporated by reference to Exhibit 10.9 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 \(File No. 333-256382\)\)](#).
- 10.11†10.12† [Employment Agreement, dated as of March 9, 2018, by and between Core & Main LP and Stephen O. LeClair \(incorporated by reference to Exhibit 10.10 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 \(File No. 333-256382\)\)](#).
- 10.12†10.13† [Employment Agreement, dated as of February 9, 2018, by and between Core & Main LP and Mark R. Witkowski \(incorporated by reference to Exhibit 10.11 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 \(File No. 333-256382\)\)](#).

- [10.13†10.14†](#) [Employment Agreement, dated as of February 9, 2018, by and between Core & Main LP and Laura K. Schneider \(incorporated by reference to Exhibit 10.12 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 \(File No. 333-256382\)\).](#)
- [10.14†10.15†](#) [Employment Agreement, dated as of February 9, 2018, by and between Core & Main LP and Bradford A. Cowles \(incorporated by reference to Exhibit 10.13 to Core & Main's Registration Statement on Form S-1, filed on May 21, 2021 \(File No. 333-256382\)\).](#)
- [10.15†10.16†](#) [Amended and Restated Core & Main Holdings, LP Equity Incentive Plan \(incorporated by reference to Exhibit 10.14 to Core & Main's Registration Statement on Form S-1, filed on July 6, 2021 \(File No. 333-256382\)\).](#)
- [10.16†10.17†](#) [Form of Executive Common Unit and Profits Unit Agreement \(incorporated by reference to Exhibit 10.15 to Core & Main's Registration Statement on Form S-1, filed on July 6, 2021 \(File No. 333-256382\)\).](#)
- [10.17†10.18†](#) [Form of Core & Main, Inc. Board Compensation Letter \(incorporated by reference to Exhibit 10.16 to Core & Main's Registration Statement on Form S-1, filed on July 6, 2021 \(File No. 333-256382\)\).](#)
- [10.18†10.19†](#) [Core & Main, Inc. 2021 Omnibus Equity Incentive Plan \(incorporated by reference to Exhibit 10.1 to Core & Main's Registration Statement on Form S-8, filed on July 23, 2021 \(File No. 333-258128\)\).](#)
- [10.19†10.20†](#) [Core & Main, Inc. Employee Stock Purchase Plan \(incorporated by reference to Exhibit 10.2 to Core & Main's Registration Statement on Form S-8, filed on July 2, 2021 \(File No. 333-258128\)\).](#)
- [10.2010.21](#) [Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership of Core & Main Holdings, LP \(incorporated by reference to Exhibit 10. to Core & Main's Quarterly Report on Form 10-Q for the quarterly period ended May 1, 2022 \(File No. 001-40650\)\).](#)
- [10.21†10.22†](#) [Employment Agreement, dated as of February 9, 2018 by and between Core & Main LP and Mark G. Whittenburg \(incorporated by reference to Exhibit 10.20 to Core & Main's Quarterly Report on Form 10-Q for the quarterly period ended May 1, 2022 \(File No. 001-40650\)\).](#)
- [10.22†10.23†](#) [Form of Employee RSU Agreement \(incorporated by reference to Exhibit 10.1 to Core & Main's Quarterly Report on Form 10-Q for the quarterly period ended July 31, 2022 \(File No. 001-40650\)\).](#)
- [10.23†10.24†](#) [Form of Employee Stock Option Agreement \(incorporated by reference to Exhibit 10.2 to Core & Main's Quarterly Report on Form 10-Q for the quarterly period ended July 31, 2022 \(File No. 001-40650\)\).](#)
- [10.24†10.25†](#) [Form of Director RSU Agreement \(incorporated by reference to Exhibit 10.1 to Core & Main's Quarterly Report on Form 10-Q for the quarterly period ended October 30, 2022 \(File No. 001-40650\)\).](#)
- [10.25†10.26†](#) [Form of Employee RSU Agreement \(incorporated by reference to Exhibit 10.2 to Core & Main's Quarterly Report on Form 10-Q for the quarterly period ended October 30, 2022 \(File No. 001-40650\)\).](#)
- [10.26†10.27†](#) [Form of Employee Stock Option Agreement \(incorporated by reference to Exhibit 10.3 to Core & Main's Quarterly Report on Form 10-Q for the quarterly period ended October 30, 2022 \(File No. 001-40650\)\).](#)
- [10.27*10.28*](#) [Amendment No. 2 and Waiver to the Second Amended and Restated Agreement of Limited Partnership of Core & Main Holdings, LP.](#)
- [10.29](#) [Purchase and Redemption Agreement, dated as of November 9, 2023, by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P., CD&R Fund X-A Waterworks B, L.P. and CD&R Waterworks Holdings, LLC \(incorporated by reference to Exhibit 10.1 to Core & Main's Current Report on Form 8-K, filed on November 9, 2023\).](#)
- [10.30*](#) [Purchase and Redemption Agreement, dated as of December 5, 2023, by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P., CD&R Fund X-A Waterworks B, L.P. and CD&R Waterworks Holdings, LLC.](#)
- [10.31*](#) [Amendment No. 1 to the Purchase and Redemption Agreement and Purchase and Redemption Agreement, dated as of December 6, 2023, by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P., CD&R Fund X-A Waterworks B, L.P. and CD&R Waterworks Holdings, LLC.](#)
- [10.32*](#) [Purchase and Redemption Agreement, dated as of January 5, 2024, by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P., CD&R Fund X-A Waterworks B, L.P. and CD&R Waterworks Holdings, LLC.](#)
- [10.33*](#) [Purchase and Redemption Agreement, dated as of January 21, 2024, by and among Core & Main, Inc., Core & Main Holdings, LP, CD&R Fund X Advisor Waterworks B, L.P., CD&R Fund X Waterworks B1, L.P., CD&R Fund X-A Waterworks B, L.P. and CD&R Waterworks Holdings, LLC.](#)

- 21.1 [List of Subsidiaries of Core & Main, Inc. \(incorporated by reference to Exhibit 21.1 to Core & Main's Registration Statement on Form S-1, filed on July 6, 2021 \(File No. 333-256382\)\)](#).
- 23.1* [Consent of PricewaterhouseCoopers LLP in respect of Core & Main, Inc.'s financial statements](#).
- 31.1* [Certification by Stephen O. LeClair, Core & Main's Principal Executive Officer, pursuant to Securities Exchange Act Rules 13a-14\(a\) and 15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#).
- 31.2* [Certification by Mark R. Witkowski, Core & Main's Principal Financial Officer, pursuant to Securities Exchange Act Rules 13a-14\(a\) and 15d-14\(a\), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#).
- 32.1** [Certification by Stephen O. LeClair, Core & Main's Principal Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#).
- 32.2** [Certification by Mark R. Witkowski, Core & Main's Principal Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#).
- 97.1* [Dodd-Frank Clawback Policy, dated as of December 1, 2023](#)
- 101.INS Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.*
- 101.SCH Inline XBRL Taxonomy Extension Schema Document.*
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document.*
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document.*
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document.*
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document.*
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document).*

* Filed herewith.

** Furnished herewith.

† Identifies each management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary

None.

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.

CORE & MAIN, INC.

By: /s/ Stephen O. LeClair
Name: Stephen O. LeClair
Title: Chief Executive Officer and Chair of the Board
(Principal Executive Officer)

By: /s/ Mark R. Witkowski
Name: Mark R. Witkowski
Title: Chief Financial Officer
(Principal Financial Officer)

By: /s/ John W. Stephens
Name: John W. Stephens
Title: Vice President, Corporate Controller
(Principal Accounting Officer)

By: /s/ James G. Berges
Name: James G. Berges
Title: Chair of the Board

By: /s/ Bhavani Amirthalingam
Name: Bhavani Amirthalingam
Title: Director

By: /s/ Robert M. Buck
Name: Robert M. Buck
Title: Director

By: /s/ James G. Castellano
Name: James G. Castellano
Title: Director

By: /s/ Dennis G. Gipson
Name: Dennis G. Gipson
Title: Director

By: /s/ Orvin T. Kimbrough
Name: Orvin T. Kimbrough
Title: Director

By: /s/ Kathleen M. Mazzarella
Name: Kathleen M. Mazzarella
Title: Director

By: /s/ Margaret M. Newman
Name: Margaret M. Newman
Title: Director

By: /s/ Ian A. Rorick
Name: Ian A. Rorick
Title: Director

By: /s/ Nathan K. Sleeper
Name: Nathan K. Sleeper
Title: Director

By: /s/ Jonathan L. Zrebiec
Name: Jonathan L. Zrebiec
Title: Director

SECOND 10.6

AMENDMENT

SECOND NO. 2

TO THE

EXCHANGE AGREEMENT

This AMENDMENT NO. 2 TO THE EXCHANGE AGREEMENT (this “Second Amendment”), dated as of February 26, 2023 December 7, 2023, is made by and among CORE Core & MAIN Main, Inc., a Delaware corporation (“IPOco”), Core & Main Holdings, LP, a Florida Delaware limited partnership (the “Borrower” (“Holdings”), and the Administrative Agent (as holders of Partnership Interests (collectively, the “Parties”) (unless otherwise defined below).

WITNESSETH:

herein, all capitalized terms used herein shall have the respective meanings assigned to such terms in the Agreement);

WHEREAS, each of the Borrower is Parties are party to that certain Credit the Exchange Agreement, dated as of August 1, 2017 (as amended supplemented, waived or otherwise modified from time July 22, 2021 (the “Agreement”); and

WHEREAS, the Parties desire to time prior to amend certain terms and provision of the Second Amendment Effective Date (as defined in Section 3(a) hereof), the “Credit Agreement.”), among the Borrower, the several banks and other financial institutions from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”) and collateral agent (in such capacity, the “Collateral Agent”);

WHEREAS, pursuant to and in accordance with Subsection 11.1(d)(viii) Section 4.6 of the Credit Agreement, the Borrower and the Administrative Agent shall be permitted to amend, supplement, waive or otherwise modify the Credit Agreement to implement any changes contemplated by the definition of “LIBOR Rate” in Subsection 1.1 of the Credit Agreement; and

WHEREAS, pursuant to and in accordance with Subsection 11.1(d)(viii) of the Credit Agreement, the Administrative Agent and the Borrower agree to amend the Credit Agreement (as so amended, the “Amended Credit Agreement”) as set forth in Section 2 hereto.

herein.

NOW, THEREFORE, in consideration of the foregoing, mutual covenants and undertakings contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties Parties hereto hereby agree as follows:

SECTION

1. Defined Terms. Capitalized terms used but Amendments.

(a) The following definitions in Section 1.1 of the Agreement are hereby amended and restated in their entirety as follows:

“Initial True-up Amount” means a number of shares of Class A Common Stock that IPOco may require to be paid to or withheld from a Holder by IPOco in connection with a Liquidation Adjustment upon the submission by a Holder of a contingent Election of Exchange pursuant to Section 2.1(c) of this Agreement, with such amount to be determined by IPOco in IPOco’s sole discretion as it determines in good faith is required to properly reflect the principles set forth in Section 2.1(h) of this Agreement.

“Liquidation Adjustment Price” means the greater of (i) the last reported sales price of a share of the Class A Common Stock, as reported by Bloomberg, L.P., or its successor (or other mutually acceptable electronic or print publication) immediately prior to the relevant Exchange Date, (ii) the average of the daily volume-weighted average price (“VWAP”) of a share of Class A Common Stock for the four-week period immediately prior to the relevant Exchange Date in connection with a Voluntary Exchange and (iii) as applied with

respect to an Excess Amount in connection with Section 2.1(h), such price of a share of Class A Common Stock that, in connection with an Exchange, would not ~~defined herein shall have the meanings assigned to such terms~~ result in the Credit Agreement.

SECTION 2. Amendments number of shares of Class A Common Stock to be issued to exceed the number of authorized and unissued shares of Class A Common Stock under the IPOco Charter, when taken together with (x) the outstanding shares of Class A Common

Stock, (y) the shares of Class A Common Stock issuable upon Exchange of outstanding shares of Paired Interests (disregarding shares of Class A Common Stock issuable under Section 2.1(h)), and (z) the shares of Class A Common Stock issuable under the Core & Main, Inc. 2021 Omnibus Equity Incentive Plan or any other IPOco stock incentive plan; provided that in calculating such average, (a) the VWAP shall be determined by calculating the arithmetic average of the per share daily volume-weighted average price of a share of Class A Common Stock on the New York Stock Exchange or such other principal U.S. securities exchange or automated or electronic quotation system on which Class A Common Stock trades, as reported by Bloomberg, L.P., or its successor (or other mutually acceptable electronic or print publication) for each of the full Trading Days in the four-week period immediately prior to the Credit Agreement.

(a) The Credit Exchange Date and ending on and including the last full Trading Day immediately prior to the Exchange Date, subject to appropriate and equitable adjustment for any stock splits, reverse splits, stock dividends or similar events affecting the Class A Common Stock; and (b) if the Class A Common Stock no longer trades on a securities exchange or automated or electronic quotation system, then a majority of the independent members of the board of directors of IPOco shall determine the fair market value of a share of Class A Common Stock in good faith.

"True-up Adjustment" has the meaning set forth in Section 2.1(h) of this Agreement.

"True-up Adjustment Amount" means a number of shares of Class A Common Stock equal to the difference between (i) the number of shares of Class A Common Stock that would have been paid to or withheld from a Holder pursuant to a Liquidation Adjustment in connection with a contingent Election of Exchange tendered by a Holder pursuant to Section 2.1(c) utilizing the average price of shares of Class A Common Stock sold by a Holder in connection with the satisfaction of the contingency that triggered the Exchange ("Transaction Price") and (ii) the Initial True-up Amount.

(b) Section 2.1(h) of the Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: stricken-text) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Amended Credit Agreement attached as Exhibit A hereto, which such Amended Credit Agreement shall supersede the Credit Agreement.

(b) Pursuant to Subsection 11.2(a) of the Credit Agreement, the Borrower hereby notifies the Administrative Agent and the other the respective parties to the Credit Agreement and any future holders of the Loans of changes to its notice address as follows:

Core & Main LP
1830 Craig Park Court
St. Louis, MO 63146
Attention: Mark R. Witkowski and Robyn Bradbury
Facsimile: (314) 432-2550
Telephone: (314) 432-4700
Email: Mark.Witkowski@coreandmain.com
Robyn.Bradbury@coreandmain.com

SECTION 3. Conditions Precedent to Effectiveness. Section 2 of this Second Amendment shall become effective on the date (the “Second Amendment Effective Date”) on which the Administrative Agent and the Borrower shall have executed the Second Amendment.

SECTION 4. Effect of Amendment. Except as expressly set forth herein, this Second Amendment (i) shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders, the Administrative Agent, the Collateral Agent or the Loan Parties under the Credit Agreement or any other Loan Document, and (ii) shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other provision of the Credit Agreement or any other Loan Document. Each and every term, condition, obligation, covenant and agreement contained in the Credit Agreement or any other Loan Document is hereby ratified and re-affirmed in all respects and shall continue in full force and effect and nothing herein can or may be construed as a novation thereof. This Second Amendment shall constitute a Loan Document for purposes of the Credit Agreement and from and after the Second Amendment Effective Date, all references to the Credit Agreement in any Loan Document and all references in the Credit Agreement to “this Agreement,” “hereunder,” “hereof” or words of like import referring to the Credit Agreement, shall, unless expressly provided otherwise, refer to the Credit Agreement as amended by this Second Amendment.

SECTION 5. Expenses. The Borrower agrees to pay or reimburse the Administrative Agent in accordance with Subsection 11.5 of the Credit Agreement for (1) all of its reasonable and documented and invoiced out-of-pocket costs and expenses incurred in connection with this Second Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, and (2) the reasonable and documented and invoiced fees and disbursements of Simpson Thacher & Bartlett LLP, as counsel to the Administrative Agent (and, for the avoidance of doubt, not of counsel to any other Lender).

SECTION 6. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Second Amendment by facsimile transmission, email or other electronic transmission (e.g., a “pdf”, “tiff” or DocuSign) shall be effective as delivery of a manually executed counterpart hereof. For purposes hereof, the words “execution,” “execute,” “executed,” “signed,” “signature” and words of like import shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formulations on electronic platforms, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transaction Act.

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SECTION 7. Governing Law. THIS SECOND AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS SECOND AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICT OF LAWS TO THE EXTENT SUCH PRINCIPLES OR RULES ARE NOT MANDATORILY APPLICABLE BY STATUTE AND WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

SECTION 8. Headings. The headings of this Second Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be duly executed and delivered as of the date first above written.

CORE & MAIN LP

By: /s/ Mark R. Witkowski

Name: Mark R. Witkowski

Title: Chief Financial Officer

[Core & Main - Signature Page to Second Amendment to Term Loan Credit Agreement]

JPMORGAN CHASE BANK, N.A.,

as Administrative Agent

By: /s/ James Shender

Name: James Shender

Title: Executive Director

[Core & Main - Signature Page to Second Amendment to Term Loan Credit Agreement]

Exhibit A

Credit Agreement

~~Execution Version~~ EXECUTION VERSION

\$1,075,000,000

TERM LOAN CREDIT AGREEMENT

among

CD&R WATERWORKS MERGER SUB, LLC,

to be merged with and into

HD SUPPLY WATERWORKS, LTD.,

as Borrower,

THE LENDERS

FROM TIME TO TIME PARTY HERETO,

and

JPMORGAN CHASE BANK, N.A.,

as Administrative Agent and Collateral Agent,

JPMORGAN CHASE BANK, N.A.,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,

CITIGROUP GLOBAL MARKETS INC.,

BARCLAYS BANK PLC,

CREDIT SUISSE SECURITIES (USA) LLC,

DEUTSCHE BANK SECURITIES INC.,

ROYAL BANK OF CANADA,

GOLDMAN SACHS BANK USA,

NATIXIS, NEW YORK BRANCH AND

NOMURA SECURITIES INTERNATIONAL, INC.

as Joint Lead Arrangers and Joint Bookrunners

dated as of August 1, 2017

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(v)

TERM LOAN CREDIT AGREEMENT, dated as of August 1, 2017, among CD&R WATERWORKS MERGER SUB, LLC, a Delaware limited liability company (prior to the Waterworks Merger and as further defined in Subsection 1.1, "Passthrough Mergersub", and as further defined in Subsection 1.1, the "Borrower"), the several banks and other financial institutions from time to time party hereto (as further defined in Subsection 1.1, the "Lenders") and JPMORGAN CHASE BANK, N.A., as administrative agent (in such capacity and as further defined in Subsection 1.1, the "Administrative Agent") for the Lenders hereunder and as collateral agent (in such capacity and as further defined in Subsection 1.1, the "Collateral Agent") for the Secured Parties (as defined in Subsection 1.1).

WITNESSETH:

WHEREAS, to consummate the transactions contemplated by the Plumb Acquisition Agreement, the Borrower will (A) enter into this Agreement to borrow Initial Term Loans in an aggregate principal amount of \$1,075,000,000 (unless reduced in accordance with Subsection 6.1(b)), (B) enter into the Senior ABL Agreement to borrow an additional amount and to cause certain letters of credit to be issued and (C) issue the Senior Notes, under the Senior Notes Indenture, generating aggregate gross proceeds of up to \$500,000,000 (unless reduced in accordance with Subsection 6.1(b)); and

WHEREAS, the cash proceeds of the Equity Contribution, the Initial Term Loans, any ABL Facility Loans made on the Closing Date and the issuance of the Senior Notes will be used on the Closing Date, inter alia, to consummate the Transactions, and to pay fees, premiums and expenses incurred in connection with the Transactions.

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

SECTION 1

Definitions

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"ABL Agent": Citibank, N.A., restated in its capacity entirety as administrative agent and collateral agent under the ABL Facility Documents, or any successor administrative agent or collateral agent under the ABL Facility Documents.

"ABL Collateral Obligations": the "ABL Collateral Obligations" as defined in the ABL/Term Loan Intercreditor Agreement or the equivalent term in any Other Intercreditor Agreement.

"ABL Facility Documents": the "Loan Documents" as defined in the Senior ABL Agreement, as the same may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased, decreased or extended from time to time.

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follows:

"ABL Facility Loans": the loans borrowed under the Senior ABL Facility.

"**ABL Priority Collateral**": as defined in the ABL/Term Loan Intercreditor Agreement whether or not the same remains in full force and effect.

"**ABL/Term Loan Intercreditor Agreement**": the Intercreditor Agreement, dated as of the Closing Date, between the Collateral Agent and the ABL Agent (in its capacity as collateral agent under the ABL Facility Documents), and acknowledged by certain of the Loan Parties in the form attached hereto as **Exhibit J-1**, as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms hereof and thereof.

"**ABR Loans**": Loans to which the rate of interest applicable is based upon the Alternate Base Rate.

"**ABR Term SOFR Determination Day**": as defined in clause (b) of the definition of "Term SOFR Rate".

"**ABR Term SOFR Determination Time**": as defined in clause (b) of the definition of "Term SOFR Rate".

"**Accelerated**": as defined in Subsection 9.1(e).

"**Acceleration**": as defined in Subsection 9.1(e).

"**Acceptable Discount**": as defined in Subsection 4.4(l)(iv)(2).

"**Acceptable Prepayment Amount**": as defined in Subsection 4.4(l)(iv)(3).

"**Acceptance and Prepayment Notice**": a written notice from the Borrower setting forth the Acceptable Discount pursuant to Subsection 4.4(l)(iv)(2) substantially in the form of **Exhibit N**.

"**Acceptance Date**": as defined in Subsection 4.4(l)(iv)(2).

"**Acknowledging Party**": as defined in Subsection 11.21.

"**Acquired Companies**": Waterworks Blocker and Waterworks Opco.

"**Acquired Indebtedness**": Indebtedness of a Person (i) existing at the time such Person becomes a Subsidiary or (ii) assumed in connection with the acquisition of assets from such Person, in each case other than Indebtedness Incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or such acquisition of assets. Acquired Indebtedness shall be deemed to be Incurred on the date of the related acquisition of assets from any Person or the date the acquired Person becomes a Subsidiary.

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"**Acquisition Indebtedness**": Indebtedness of (A) the Borrower or any Restricted Subsidiary Incurred to finance or refinance, or otherwise Incurred in connection with, any acquisition of any assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary, or (B) any Person that is acquired by or merged or consolidated with or into the Borrower or any Restricted Subsidiary (including Indebtedness thereof Incurred in connection with any such acquisition, merger or consolidation).

"**Additional Agent**": as defined in the ABL/Term Loan Intercreditor Agreement, the Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement, as applicable.

"**Additional Assets**": (i) any property or assets that replace the property or assets that are the subject of an Asset Disposition; (ii) any property or assets (other than Indebtedness and Capital Stock) used or to be used by the Borrower or a Restricted Subsidiary or otherwise useful in a Related Business, and any capital expenditures in respect of any property or assets already so used; (iii) the Capital Stock of a Person that is engaged in a Related Business and becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Borrower or another Restricted Subsidiary; or (iv) Capital Stock of any Person that at such time is a Restricted Subsidiary acquired from a third party.

"**Additional Incremental Lender**": as defined in Subsection 2.8(b).

"**Additional Indebtedness**": as defined in the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement, as applicable.

"**Additional Obligations**": senior or subordinated Indebtedness (which Indebtedness may be (x) secured by a Lien ranking *pari passu* to the Lien securing the Term Loan Facility Obligations, (y) secured by a Lien ranking junior to the Lien securing the Term Loan Facility Obligations or (z) unsecured), including customary bridge financings, in each case issued or incurred by the Borrower, a Guarantor or an Escrow Subsidiary, the terms of which Indebtedness (i) either (x) do not provide for a maturity date or weighted average life to maturity earlier than the Initial Term Loan Maturity Date or shorter than the remaining weighted average life to maturity of the Initial Term

Loans, as the case may be (other than an earlier maturity date and/or shorter weighted average life to maturity (1) for customary bridge financings, which, subject to customary conditions (as determined by the Borrower in good faith, which determination shall be conclusive), would either be automatically converted into or required to be exchanged for permanent financing which does not provide for an earlier maturity date or a shorter weighted average life to maturity than the Initial Term Loan Maturity Date or the remaining weighted average life to maturity of the Initial Term Loans, as applicable, (2) pursuant to an escrow or similar arrangement with respect to the proceeds of such Additional Obligation or (3) of Additional Obligations in an aggregate principal amount at any time outstanding (together with the aggregate principal amount of any Refinancing Indebtedness and Indebtedness under any Incremental Term Loan Commitments, any applicable Extended Tranche and any Specified Refinancing Term Loan Facility, in each case outstanding under the Earlier Maturity Date Basket) not in excess of the Earlier Maturity Date Basket), or (v) in the case of any Indebtedness under any revolving credit facility, do not provide for a maturity date earlier than the Stated Maturity of the ABL Facility Loans, (ii) to the extent such Indebtedness is subordinated, provide for customary payment subordination to the Term Loan Facility Obligations under the Loan Documents as determined by the Borrower in good faith, which determination shall be conclusive, and (iii) do not provide for any mandatory repayment or redemption from the Net Available Cash of Asset Dispositions (other than any Asset Disposition in respect of any assets, business or Person the acquisition of which was financed, all or in part, with such Additional Obligations and the disposition of which was contemplated by any definitive agreement in respect of such acquisition) or Recovery Events or from Excess Cash Flow, to the extent the Net Available Cash of such Asset Disposition or Recovery Event or such Excess Cash Flow are required to be applied to repay the Initial Term Loans hereunder pursuant to Subsection 4.4(e), on more than a ratable basis with the Initial Term Loans (after giving effect to any amendment in accordance with Subsection 11.1(d)(vi)); provided that (a) other than with respect to proceeds of such Additional Obligations which are subject to an escrow or similar arrangement and any related deposit of cash, Cash Equivalents and/or Temporary Cash Investments to cover interest and premium in respect of such Additional Obligations, such Indebtedness shall not be secured by any Lien on any asset of any Loan Party that does not also secure the Term Loan Facility Obligations, or be guaranteed by any Person other than the Loan Parties (it being understood that the primary obligation of an Escrow Subsidiary shall not constitute a guarantee by a Person other than a Loan Party), and (b) if secured by Collateral, such Indebtedness (and all related Obligations) shall be subject to the terms of the ABL/Term Loan Intercreditor Agreement (if such Indebtedness and related Obligations constitute First Lien Obligations), any Junior Lien Intercreditor Agreement (if such Indebtedness and related Obligations do not constitute First Lien Obligations) or an Other Intercreditor Agreement (if otherwise agreed by the Administrative Agent and the Borrower-Representative).

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"Additional Obligations Documents": any document or instrument (including any guarantee, security agreement or mortgage and which may include any or all of the Loan Documents) issued or executed and delivered by any Loan Party or Escrow Subsidiary with respect to any Additional Obligations, Rollover Indebtedness or Letter of Credit Facilities.

"Additional Specified Refinancing Lender": as defined in Subsection 2.11(b).

"Adjusted Interest Rate": as defined in Subsection 2.8(d)(v).

"Adjusted LIBOR Rate": with respect to any Borrowing of Eurodollar Loans for any Interest Period, an interest rate per annum determined by the Administrative Agent to be equal to the higher of (i)(x) the LIBOR Rate for such Borrowing of Eurodollar Loans in effect for such Interest Period divided by (y) 1 minus the Statutory Reserves (if any) for such Borrowing of Eurodollar Loans for such Interest Period and (ii)(x) solely with respect to Original Initial Term Loans, 1.00%, and (y) solely with respect to the Tranche B Term Loans, 0.00%;

"Adjustment Date": each date on or after the last day of the Borrower's first full Fiscal Quarter ended at least three months after the Closing Date (i.e., January 28, 2018) that is the second Business Day following receipt by the Lenders of both (a) the financial statements required to be delivered pursuant to Subsection 7.1(a) or Subsection 7.1(b), as applicable, for the most recently completed fiscal period and (b) the related Compliance Certificate required to be delivered pursuant to Subsection 7.2(a) with respect to such fiscal period.

"Administrative Agent": as defined in the Preamble hereto and shall include any successor to the Administrative Agent appointed pursuant to Subsection 10.9.

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"Affected Eurodollar Rate": as defined in Subsection 4.7.

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

"Affected Loans": as defined in Subsection 4.9.

"Affected Term SOFR Rate": as defined in Subsection 4.7(a).

"**Affiliate**": as to any specified Person, any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"**Affiliate Transaction**": as defined in Subsection 8.5(a).

"**Affiliated Debt Fund**": any Affiliated Lender that is primarily engaged in, or advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, notes, bonds and similar extensions of credit or securities in the ordinary course, so long as (i) any such Affiliated Lender is managed as to day-to-day matters (but excluding, for the avoidance of doubt, as to strategic direction and similar matters) independently from Sponsor and any Affiliate of Sponsor that is not primarily engaged in the investing activities described above, (ii) any such Affiliated Lender has in place customary information screens between it and Sponsor and any Affiliate of Sponsor that is not primarily engaged in the investing activities described above, and (iii) none of Topco, Midco, the Borrower or any of its Subsidiaries directs or causes the direction of the investment policies of such entity.

"**Affiliated Lender**": any Lender that is a Permitted Affiliated Assignee.

"**Affiliated Lender Assignment and Assumption**": as defined in Subsection 11.6(h)(i)(1).

"**Agents**": the collective reference to the Administrative Agent and the Collateral Agent, and "**Agent**" shall mean any of them.

"**Agreement**": this Credit Agreement, as amended, supplemented, waived or otherwise modified from time to time.

"**Alternate Base Rate**": for any day, a fluctuating rate per annum equal to the greatest of (a) the Base Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus 0.50%, and (c) the Adjusted LIBOR Term SOFR Rate for an Interest Period of one-month beginning on such day ~~(or if such day is not a Business Day, on the immediately preceding Business Day) (determined as if the relevant ABR Loan were a Eurodollar Loan)~~ plus 1.00%. If the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the NYFRB Rate or the Adjusted LIBOR Term SOFR Rate for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations in accordance with the terms of the definition thereof, the Alternate Base Rate shall be determined without regard to clause (b) or (c) above, as the case may be, of the preceding sentence until the circumstances giving rise to such inability no longer exist. Any change in the Alternate Base Rate due to a change in the Base Rate, the NYFRB Rate or the Adjusted LIBOR Term SOFR Rate shall be effective on the effective date of such change in the Base Rate, the NYFRB Rate or the Adjusted LIBOR Term SOFR Rate, respectively.

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"**Amendment**": as defined in Subsection 8.3(c).

"**Applicable Discount**": as defined in Subsection 4.4(l)(iii)(2).

"**Applicable ECF Amount**": as defined in Subsection 4.4(e)(iii)(A)(1).

"**Applicable Margin**": in respect of (a) Original Initial Term Loans during the period from the Closing Date until the first Adjustment Date (i) with respect to ABR Loans, 2.00% per annum, and (ii) with respect to Eurodollar Term SOFR Rate Loans, 3.00% per annum, and (b) Tranche B Term Loans, (i) with respect to ABR Loans, 1.50% per annum, and (ii) with respect to Eurodollar Term SOFR Rate Loans, 2.50% per annum. The Applicable Margins with respect to Original Initial Term Loans will be adjusted on each Adjustment Date to the applicable rate per annum set forth under the heading "Applicable Margin for ABR Loans" or "Applicable Margin for Eurodollar Term SOFR Rate Loans" on the Pricing Grid which corresponds to the Consolidated Total Leverage Ratio determined from the financial statements and Compliance Certificate relating to the end of the Fiscal Quarter immediately preceding such Adjustment Date; provided that in the event that the financial statements required to be delivered pursuant to Subsection 7.1(a) or 7.1(b), as applicable, and the related Compliance Certificate required to be delivered pursuant to Subsection 7.2(a), are not delivered when due, then:

(1) if such financial statements and Compliance Certificate are delivered after the date such financial statements and Compliance Certificate were required to be delivered (without giving effect to any applicable cure period) and the Applicable Margin increases from that previously in effect as a result of the delivery of such financial statements, then the Applicable Margin in respect of Original Initial Term Loans during the period from the date upon which such financial statements were required to be delivered (without giving effect to any applicable cure period) until the date upon which they actually are delivered shall, except as otherwise provided in clause (3) below, be the Applicable Margin as so increased;

(2) if such financial statements and Compliance Certificate are delivered after the date such financial statements and Compliance Certificate were required to be delivered and the Applicable Margin decreases from that previously in effect as a result

of the delivery of such financial statements, then such decrease in the Applicable Margin shall not become applicable until the date upon which the financial statements and Compliance Certificate actually are delivered; and

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(3) if such financial statements and Compliance Certificate are not delivered prior to the expiration of the applicable cure period, then, effective upon such expiration, for the period from the date upon which such financial statements and Compliance Certificate were required to be delivered (after the expiration of the applicable cure period) until two Business Days following the date upon which they actually are delivered, the Applicable Margin with respect to Original Initial Term Loans shall be 2.00% per annum, in the case of ABR Loans, and 3.00% per annum, in the case of ~~Eurodollar~~ Term SOFR Rate Loans (it being understood that the foregoing shall not limit the rights of the Administrative Agent and the Lenders set forth in Section 9).

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

"Approved Fund": as defined in Subsection 11.6(b).

"Asset Disposition": any sale, lease, transfer, Division or other disposition of shares of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares, or (in the case of a Foreign Subsidiary) to the extent required by any applicable Requirement of Law), property or other assets (each referred to for the purposes of this definition as a "disposition") by the Borrower or any of its Restricted Subsidiaries (including any disposition by means of a merger, consolidation or similar transaction) other than (i) a disposition to the Borrower or a Restricted Subsidiary, (ii) a disposition in the ordinary course of business (including in connection with any factoring agreement or similar arrangements), (iii) a disposition of Cash Equivalents, Investment Grade Securities or Temporary Cash Investments, (iv) the sale or discount (with or without recourse, and on customary or commercially reasonable terms, as determined by the Borrower in good faith, which determination shall be conclusive) of accounts receivable or notes receivable which have arisen in the ordinary course of business, or the conversion or exchange of accounts receivable for notes receivable, (v) any Restricted Payment Transaction, (vi) a disposition that is governed by Subsection 8.7, (vii) any Financing Disposition, (viii) any "fee in lieu" or other disposition of assets to any Governmental Authority that continue in use by the Borrower or any Restricted Subsidiary, so long as the Borrower or any Restricted Subsidiary may obtain title to such assets upon reasonable notice by paying a nominal fee, (ix) any exchange of property pursuant to or intended to qualify under Section 1031 (or any successor section) of the Code, or any exchange of equipment to be leased, rented or otherwise used in a Related Business, (x) any financing transaction with respect to property built or acquired by the Borrower or any Restricted Subsidiary after the Closing Date, including any sale/leaseback transaction or asset securitization, (xi) any disposition arising from foreclosure, condemnation, eminent domain or similar action with respect to any property or other assets, or exercise of termination rights under any lease, license, concession or other agreement, or necessary or advisable (as determined by the Borrower in good faith, which determination shall be conclusive) in order to consummate any acquisition of any Person, business or assets, or pursuant to buy/sell arrangements under any joint venture or similar agreement or arrangement, (xii) any disposition of non-core assets acquired in connection with any acquisition of (or any merger, consolidation, amalgamation or other business combination with or into) any Person, business or assets or any Investment, (xiii) any disposition of Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary, (xiv) a disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Borrower or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired, or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), entered into in connection with such acquisition, (xv) a disposition of not more than 5.0% of the outstanding Capital Stock of a Foreign Subsidiary that has been approved by the Board of Directors, (xvi) any disposition or series of related dispositions for aggregate consideration not to exceed the greater of \$82,500,000 and 5.00% of Consolidated Tangible Assets (as of the earlier of the date such disposition was made or the date on which a binding commitment for such disposition was entered into), (xvii) the abandonment or other disposition of any patent, trademark or other intellectual property or application that is, in the good faith determination of the Borrower, which determination shall be conclusive, no longer economically reasonable to maintain or useful in the conduct of the business of the Borrower and its Subsidiaries taken as a whole, (xviii) any license, sublicense or other grant of rights in or to any trademark, copyright, patent or other intellectual property, (xix) any Exempt Sale and Leaseback Transaction, (xx) the creation or granting of any Lien permitted under this Agreement, (xxi) any sale of property or assets, if the acquisition of such property or assets was financed with Excluded Contributions or (xxii) any exchange of assets (including a combination of assets and Cash Equivalents, Investment Grade Securities and Temporary Cash Investments) for assets used or useful in a Related Business (other than if such assets are solely cash, Cash Equivalents, Investment Grade Securities and/or Temporary Cash Investments) (or Capital Stock of a Person that will be a Restricted Subsidiary following such transaction) of comparable or greater fair market value (as determined by the Parent Borrower in good faith, which determination shall be conclusive).

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"Assignee": as defined in Subsection 11.6(b)(i).

"Assignment and Acceptance": an Assignment and Acceptance, substantially in the form of [Exhibit E](#) hereto.

"Bail-In Action": 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": (a) with respect to any EEA Member Country implementing Article 55 of the Bank Recovery and Resolution Directive, 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 or (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 Products Agreement": any agreement pursuant to which a bank or other financial institution or other Person agrees to provide (a) treasury services, (b) credit card, debit card, merchant card, purchasing card, stored value card, non-card electronic payable or other similar services (including the processing of payments and other administrative services with respect thereto), (c) cash management or related services (including controlled disbursements, automated clearinghouse transactions, return items, netting, overdrafts, depository, lockbox, stop payment, electronic funds transfer, information reporting, wire transfer and interstate depository network services) and (d) other banking, financial or treasury products or services as may be requested by the Borrower or any Restricted Subsidiary (other than letters of credit and other than loans and advances except indebtedness arising from services described in clauses (a) through (c) of this definition), including, for the avoidance of doubt, bank guarantees.

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"Bank Products Obligations": of any Person means the obligations of such Person pursuant to any Bank Products Agreement.

"Bank Recovery and Resolution Directive": Directive 2014/59/EU of the European Parliament and of the Council of the European Union.

"Bankruptcy Proceeding": as defined in [Subsection 11.6\(b\)\(iv\)](#).

"Base Rate": the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Base Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Benchmark Replacement Conforming Changes": with respect to either the use or administration of Term SOFR Rate, SOFR or any replacement rate adopted in accordance with the terms of this Agreement or the use, administration or implementation of any such replacement rate, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides with the consent of the Borrower may be appropriate to reflect the adoption and implementation of any such rate or to permit the use, administration or implementation thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides with the consent of the Borrower is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents). **"Benefit Plan"**: any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"Benefited Lender": as defined in [Subsection 11.7\(a\)](#).

"BHC Act Affiliate": the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"**Blocker Aggregator**": CD&R WW Holdings, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto.

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"**Blocker Holdings**": (a) prior to the Blocker Merger, Blocker Mergersub and (b) following the Blocker Merger, Waterworks Blocker as successor to the Blocker Merger. Following the Blocker Merger, Waterworks Blocker shall be converted to a Delaware limited liability company.

"**Blocker Merger**": the merger of Blocker Mergersub with and into Waterworks Blocker, with Waterworks Blocker being the survivor of such merger.

"**Blocker Mergersub**": CD&R WW Merger Sub, LLC, a Delaware limited liability company, and any successor in interest thereto.

"**Board**": the Board of Governors of the Federal Reserve System.

"**Board of Directors**": for any Person, the board of directors or other governing body of such Person or, if such Person does not have such a board of directors or other governing body and is owned or managed by a single entity, the board of directors or other governing body of such entity, or, in either case, any committee thereof duly authorized to act on behalf of such board of directors or other governing body. Unless otherwise provided, "**Board of Directors**" means the Board of Directors of the Borrower.

"**Borrower**": (a) prior to the Waterworks Merger, Passthrough Mergersub and (b) following the Waterworks Merger, Waterworks Opco as successor to the Waterworks Merger, and any successor in interest thereto permitted hereunder.

"**Borrower Offer of Specified Discount Prepayment**": the offer by the Borrower to make a voluntary prepayment of Term Loans at a specified discount to par pursuant to Subsection 4.4(l)(ii).

"**Borrower Partnership Agreement**": that certain amended and restated limited liability company agreement of Core & Main Connector dated as of the First Amendment Effective Date, among Core & Main Connector, Topco and Core & Main Buyer, as the same may be amended, supplemented or replaced from time to time (so long as, in the case of Tax Distributions, such amendment, supplement or replacement agreement (which replacement agreement may be the partnership or similar agreement of another Parent Entity, an IPO Vehicle or the Borrower) is not more disadvantageous to the Lenders in any material respect than such limited liability company agreement as in effect on the First Amendment Effective Date).

"**Borrower Solicitation of Discount Range Prepayment Offers**": the solicitation by the Borrower of offers for, and the corresponding acceptance, if any, by a Lender of, a voluntary prepayment of Term Loans at a specified range at a discount to par pursuant to Subsection 4.4(l)(iii).

"**Borrower Solicitation of Discounted Prepayment Offers**": the solicitation by the Borrower of offers for, and the corresponding acceptance, if any, by a Lender of, a voluntary prepayment of Term Loans at a discount to par pursuant to Subsection 4.4(l)(iv).

"**Borrowing**": the borrowing of one Type of Loan of a single Tranche from all the Lenders having Commitments or other commitments of the respective Tranche on a given date (or resulting from a conversion or conversions on such date) having, in the case of Eurodollar Term SOFR Rate Loans, the same Interest Period.

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"**Borrowing Base**": the sum of (1) 90.0% of the book value of Inventory of the Borrower and its Restricted Subsidiaries, (2) 90.0% of the book value of Receivables of the Borrower and its Restricted Subsidiaries and (3) cash, Cash Equivalents and Temporary Cash Investments of the Borrower and its Restricted Subsidiaries (in each case, determined as of the end of the most recently ended fiscal month of the Borrower for which internal consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available, and, in the case of any determination relating to any Incurrence of Indebtedness, on a pro forma basis including (x) any property or assets of a type described above acquired since the end of such fiscal month and (y) any property or assets of a type described above being acquired in connection therewith).

"**Borrowing Date**": any Business Day specified in a notice delivered pursuant to either Subsection 2.3 or Subsection 2.4, as applicable, as a date on which the Borrower requests the Lenders to make Loans hereunder.

"**Borrowing Request**": as defined in Subsection 2.4(a).

"Business Day": a day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to close, except that, when used in connection with a ~~Eurodollar Loan denominated in Dollars~~ Term SOFR Rate Loan and in relation to the calculation or computation of Term SOFR Rate, "Business Day" shall mean ~~any U.S. Government Securities~~ Business Day on which dealings in Dollars between banks may be carried on in London, England and New York, New York.

"Capital Expenditures": for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including in all events all amounts expended or capitalized under leases evidencing Financing Lease Obligations) by the Borrower and the Restricted Subsidiaries during such period that, in conformity with GAAP, are or are required to be included as capital expenditures on a consolidated statement of cash flows of the Borrower.

"Capital Stock": as to any Person, any and all shares or units of, rights to purchase, warrants or options for, or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"Captive Insurance Subsidiary": any Subsidiary of the Borrower that is subject to regulation as an insurance company or captive insurance company (or any Subsidiary of any of the foregoing).

"Cash Capped Incremental Facility": as defined in the definition of "Maximum Incremental Facilities Amount".

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"Cash Equivalents": any of the following: (a) money, (b) securities issued or fully guaranteed or insured by the United States of America, Canada, the United Kingdom, Switzerland or a member state of the European Union or any agency or instrumentality of any thereof, (c) time deposits, certificates of deposit or bankers' acceptances of (i) any bank or other institutional lender under this Agreement or the Senior ABL Facility or any affiliate thereof or (ii) any commercial bank having capital and surplus in excess of \$250,000,000 (or the foreign currency equivalent thereof as of the date of such investment) and the commercial paper of the holding company of which is rated at least A-2 or the equivalent thereof by S&P or at least P-2 or the equivalent thereof by Moody's (or, if at such time neither is issuing ratings, a comparable rating of another nationally recognized rating agency), (d) repurchase obligations with a term of not more than 10 days for underlying securities of the types described in clauses (b) and (c) above entered into with any financial institution meeting the qualifications specified in clause (c)(i) or (c)(ii) above, (e) money market instruments, commercial paper or other short-term obligations rated at least A-2 or the equivalent thereof by S&P or at least P-2 or the equivalent thereof by Moody's (or, if at such time neither is issuing ratings, a comparable rating of another nationally recognized rating agency), (f) investments in money market funds subject to the risk limiting conditions of Rule 2a-7 or any successor rule of the SEC under the Investment Company Act of 1940, as amended, (g) investment funds investing at least 90.0% of their assets in cash equivalents of the types described in clauses (a) through (f) above (which funds may also hold cash pending investment and/or distribution), (h) investments similar to any of the foregoing denominated in foreign currencies approved by the Board of Directors, and (i) solely with respect to any Captive Insurance Subsidiary, any investment that any such Person is permitted to make in accordance with applicable law.

"CD&R": Clayton, Dubilier & Rice, LLC and any successor in interest thereto, and any successor to its investment management business.

"CD&R Consulting Agreement": the Consulting Agreement, dated as of the Closing Date, as amended by that certain letter agreement, dated as of August 5, 2019, by and among the Borrower, Topco, Midco, Intermediate GP and CD&R, pursuant to which CD&R may provide management, consulting and advisory services, as the same may be amended, supplemented, waived or otherwise modified from time to time so long as such amendment, supplement, waiver or modification complies with this Agreement (including Subsection 8.5 (for the avoidance of doubt, other than by reason of Subsection 8.5(b)(vii))).

"CD&R Fund X": Clayton, Dubilier & Rice Fund X, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto.

"CD&R Indemnification Agreement": the Indemnification Agreement, dated as of Closing Date, as amended by that certain letter agreement, dated as of August 5, 2019, by and among the Borrower, Topco, Midco, Intermediate GP, Passthrough Holdings, Blocker Holdings, certain CD&R Investors and CD&R and the other parties thereto, as the same may be amended, supplemented, waived or otherwise modified from time to time.

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"CD&R Investors": collectively, (i) CD&R Fund X, (ii) Clayton, Dubilier & Rice Fund X-A, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (iii) CD&R Advisor Fund X, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (iv) CD&R Associates X, L.P., a Cayman Islands exempted limited partnership, and any

successor in interest thereto, (v) CD&R Investment Associates X, Ltd., a Cayman Islands exempted company, and any successor in interest thereto, (vi) Waterworks Holdings LP, (vii) Waterworks Holdings LLC, (viii) Blocker Aggregator, (ix) New Blocker, (x) CD&R Waterworks Holdings GP, Ltd., a Cayman Islands exempted company, and any successor in interest thereto, (xi) New Blocker Holdings, (xii) CD&R Fund X Advisor Waterworks A, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xiii) CD&R Fund X Advisor Waterworks B, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xiv) CD&R Fund X Waterworks B, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xv) CD&R Fund X Waterworks B1, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xvi) CD&R Fund X-A Waterworks A, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xvii) CD&R Fund X-A Waterworks B, L.P. a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xviii) WW Advisor, (xix) CD&R Associates X Waterworks, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xx) CD&R Friends & Family Feeder Fund X Waterworks A, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xxi) CD&R Friends & Family Feeder Fund X Waterworks B, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xxii) CD&R Professionals Fund X Waterworks, L.P., a Cayman Islands exempted limited partnership, and any successor in interest thereto, (xxiii) CD&R WW Holdings 2, LLC, a Delaware limited liability company, and any successor in interest thereto, (xxiv) CD&R WW Advisor 2, LLC, a Delaware limited liability company, and any successor in interest thereto and (xxv) any Affiliate of any CD&R Investor identified in clauses (i) through (xxiv) of this definition.

"CDD Rule": the Customer Due Diligence Requirements for Financial Institutions issued by the U.S. Department of Treasury Financial Crimes Enforcement Network under the Bank Secrecy Act (such rule published May 11, 2016 and effective May 11, 2018, as amended from time to time).

"Change in Law": as defined in Subsection 4.11(a).

"Change of Control": (i) (x) the Permitted Holders shall in the aggregate be the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date) of (A) so long as the Borrower is a Subsidiary of any Parent Entity, shares or units of Voting Stock having less than 35.0% of the total voting power of all outstanding shares of such Parent Entity (other than a Parent Entity that is a Subsidiary of another Parent Entity) and (B) if the Borrower is not a Subsidiary of any Parent Entity, shares or units of Voting Stock having less than 35.0% of the total voting power of all outstanding shares of the Borrower and (y) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Closing Date), other than one or more Permitted Holders, shall be the "beneficial owner" of (A) so long as the Borrower is a Subsidiary of any Parent Entity, shares or units of Voting Stock having more than 35.0% of the total voting power of all outstanding shares of such Parent Entity (other than a Parent Entity that is a Subsidiary of another Parent Entity) and (B) if the Borrower is not a Subsidiary of any Parent Entity, shares or units of Voting Stock having more than 35.0% of the total voting power of all outstanding shares of the Borrower; (ii) so long as the Capital Stock of the Borrower is not listed on a nationally recognized stock exchange in the U.S. (whether through a Qualified IPO or otherwise), Midco (and any Successor Holding Company pursuant to and as defined in Subsection 9.16(e) of the Guarantee and Collateral Agreement) and Intermediate GP (and any Successor Holding Company pursuant to and as defined in Subsection 9.16(e) of the Guarantee and Collateral Agreement) shall (collectively) cease to own, directly or indirectly, 100.0% of the Capital Stock of the Borrower (or any Successor Borrower); or (iii) a "Change of Control" as defined in the Senior ABL Facility (or any agreement governing Refinancing Indebtedness in respect of the Senior ABL Facility, and in each case relating to Indebtedness and any unused commitments thereunder in an aggregate principal amount equal to or greater than the greater of \$100,000,000 and 6.50% of Consolidated Tangible Assets). Notwithstanding anything to the contrary in the foregoing, the Transactions and the Tranche B Effective Date Transactions shall not constitute this Article II, any Cash Exchange Payment or give rise shares of Class A Common Stock delivered to a Change of Control.

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"Change of Control Offer": as defined in Subsection 8.8(a).

"Claim": as defined in Subsection 11.6(h)(iv).

"Closing Date": the date on which all the conditions precedent set forth in Subsection 6.1 Holder upon an Exchange shall be satisfied or waived.

"Closing Date Material Adverse Effect": a "Material Adverse Effect" (as defined in adjusted to the Plumb Acquisition Agreement).

"Code": the Internal Revenue Code of 1986, as amended from time to time.

"Collateral": all assets extent that section 4.1(b) of the Loan Parties, now owned or hereafter acquired, upon which LP Agreement would result in an adjustment to a Lien is purported to be created by any Security Document.

"Collateral Agent": as defined in the Preamble hereto and shall include any successor to the Collateral Agent appointed pursuant to Subsection 10.9.

"Collateral Representative": (i) if the ABL/Term Loan Intercreditor Agreement is then in effect, the ABL Collateral Representative (as defined therein, with respect to ABL Priority Collateral) and the Term Loan Collateral Representative (as defined therein, with respect to Term Loan Priority Collateral), (ii) if any Junior Lien Intercreditor Agreement is then in effect, the Senior Priority Representative (as defined therein) and (iii) if any Other Intercreditor Agreement is then in effect, the Person acting as representative for the Collateral Agent and the Secured Parties thereunder for the applicable purpose contemplated by this Agreement and the Guarantee and Collateral Agreement.

"Collection Amounts": as defined in Section 10.14.

"Commitment": as to any Lender, such Lender's Initial Term Loan Commitments and Incremental Commitments, as the context requires.

"Committed Lenders": JPMorgan Chase Bank, N.A., Bank of America, N.A., Citibank, N.A., Barclays Bank PLC, Credit Suisse AG, Deutsche Bank AG New York Branch, Royal Bank of Canada, Goldman Sachs Bank USA, Natixis, New York Branch and Nomura Corporate Funding Americas, LLC.

"Commodities Agreement": in respect of a Person, any commodity futures contract, forward contract, option or similar agreement or arrangement (including derivative agreements or arrangements), as to which such Person is a party or beneficiary.

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"Commonly Controlled Entity": an entity, whether or not incorporated, which is under common control with the Borrower within the meaning of Section 4001 of ERISA or is part of a group which includes the Borrower and which is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Sections 414(m) and (o) of the Code.

"Compliance Certificate": as defined in Subsection 7.2(a).

"Conduit Lender": any special purpose corporation organized and administered by any Lender for the purpose of making Loans distribution that would otherwise required to be made by to such Lender and designated by such Lender in a written instrument delivered to the Administrative Agent (a copy of which shall be provided by the Administrative Agent to the Borrower on request); provided that the designation by any Lender of a Conduit Lender shall not relieve the designating Lender of any of its obligations under this Agreement, including its obligation to fund a Loan if, for any reason, its Conduit Lender fails to fund any such Loan, and the designating Lender (and not the Conduit Lender) shall have the sole right and responsibility to deliver all consents and waivers required or requested under this Agreement with respect to its Conduit Lender; provided, further, that no Conduit Lender shall (a) be entitled to receive any greater amount pursuant to any provision of this Agreement, including Subsection 4.10, 4.11, 4.12 or 11.5, than the designating Lender would have been entitled to receive Holder in respect of the extensions of credit made by such Conduit Lender if such designating Lender had not designated such Conduit Lender hereunder, (b) be deemed to have any Commitment or (c) be designated if such designation would otherwise increase the costs of any Facility or Tranche to the Borrower.

"Confidential Information Memorandum": that certain Confidential Information Memorandum furnished to the Lenders on or about July 12, 2017.

"Consolidated Coverage Ratio": as of any date of determination, the ratio of (i) the Four Quarter Consolidated EBITDA as of such date to (ii) Consolidated Interest Expense for the period of the most recent four consecutive Fiscal Quarters of the Borrower ending prior to the date of such determination for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available (determined for any fiscal quarter (or portion thereof) ending prior to the Closing Date, on a pro forma basis to give effect to the Transactions as if they had occurred at the beginning of such four-quarter period); provided that

(1) if, since the beginning of such period, the Borrower or any Restricted Subsidiary has Incurred any Indebtedness or the Borrower has issued any Designated Preferred Stock that remains outstanding on such date of determination or if the transaction giving rise to the need to calculate the Consolidated Coverage Ratio is an Incurrence of Indebtedness by the Borrower or any Restricted Subsidiary or an issuance of Designated Preferred Stock of the Borrower, Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Indebtedness or Designated Preferred Stock as if such Indebtedness or Designated Preferred Stock had been Incurred or issued, as applicable, on the first day of such period (except that in making such computation, the amount of Indebtedness under any revolving credit facility outstanding

on the date of such calculation shall be computed based on (A) the average daily balance of such Indebtedness during such four fiscal quarters or such shorter period for which such facility was outstanding or (B) if such facility was created after the end of such four fiscal quarters, the average daily balance of such Indebtedness during the period from the date of creation of such facility to the date of such calculation); *provided that*, in the case of both of clauses (A) and (B), the Senior ABL Facility as of the Closing Date shall be treated as if it were in place for any fiscal quarter (or portion thereof) ending prior to the Closing Date, and the daily balance of Indebtedness thereunder for any date prior to the Closing Date shall be deemed **Partnership Interests** to be \$0).

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(2) if, since the beginning **Exchanged upon a liquidation** of such period, the Borrower or any Restricted Subsidiary has Discharged any Indebtedness, or any Designated Preferred Stock of the Borrower, that is no longer outstanding on such date of determination or if the transaction giving rise to the need to calculate the Consolidated Coverage Ratio involves a Discharge of Indebtedness (in each case other than Indebtedness Incurred under any revolving credit facility unless such Indebtedness has been Discharged with an equivalent permanent reduction in commitments thereunder) or a Discharge of Designated Preferred Stock of the Borrower, Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Discharge of Indebtedness or Designated Preferred Stock, including with the proceeds of such new Indebtedness or such new Designated Preferred Stock of the Borrower, as if such Discharge had occurred on the first day of such period.

(3) if, since the beginning of such period, the Borrower or any Restricted Subsidiary shall have disposed of any company, any business or any group of assets constituting an operating unit of a business, including any such disposition occurring in connection with a transaction causing a calculation to be made hereunder, or designated any Restricted Subsidiary as an Unrestricted Subsidiary (any such disposition or designation, a "**Sale**" **Holdings** (a "**Liquidation Adjustment**"), the Consolidated Interest Expense for such period shall be reduced by an amount equal to (A) the Consolidated Interest Expense attributable to any Indebtedness of the Borrower or any Restricted Subsidiary Discharged with respect to the Borrower and its continuing Restricted Subsidiaries in connection with such Sale for such period (including but not limited to through the assumption of such Indebtedness by another Person) **plus** (B) if the Capital Stock of any Restricted Subsidiary is disposed of in such Sale or any Restricted Subsidiary is designated as an Unrestricted Subsidiary, the Consolidated Interest Expense for such period attributable to the Indebtedness of such Restricted Subsidiary to the extent the Borrower and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness after such Sale.

(4) if, since the beginning of such period, the Borrower or any Restricted Subsidiary (by merger, consolidation or otherwise) shall have made an Investment in any Person that thereby becomes a Restricted Subsidiary, or otherwise acquired any company, any business or any group of assets constituting an operating unit of a business, including any such Investment or acquisition occurring in connection with a transaction causing a calculation to be made hereunder, or designated any Unrestricted Subsidiary as a Restricted Subsidiary (any such Investment, acquisition or designation, a "**Purchase**"), Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto (including the Incurrence of any related Indebtedness) as if such Purchase occurred on the first day of such period, and

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(5) if, since the beginning of such period, any Person became a Restricted Subsidiary or was merged or consolidated with or into the Borrower or any Restricted Subsidiary, and since the beginning of such period such Person shall have Discharged any Indebtedness or made any Sale or Purchase that would have required an adjustment pursuant to clause (2), (3) or (4) above if made by the Borrower or a Restricted Subsidiary since the beginning of such period, Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto as if such Discharge, Sale or Purchase occurred on the first day of such period;

provided that (in the event that the Borrower shall classify Indebtedness Incurred on the date of determination as Incurred in part under **Subsection 8.1(a)** and in part under **Subsection 8.1(b)**, as provided in **Subsection 8.1(c)(iii)**) any such pro forma calculation of Consolidated Interest Expense shall not give effect to any such Incurrence of Indebtedness on the date of determination pursuant to **Subsection 8.1(b)** (other than, if the Borrower at its option has elected to disregard Indebtedness being Incurred on the date of determination in part under **Subsection 8.1(a)** for purposes of calculating the Consolidated Total Leverage Ratio for Incurring Indebtedness on the date of determination in part under **Subsection 8.1(b)(x)** or (xvii), **Subsection 8.1(b)(x)** or (xvii)) or to any Discharge of Indebtedness from the proceeds of any such Incurrence pursuant to such **Subsection 8.1(b)** (other than **Subsection 8.1(b)(x)** or (xvii), if the Incurrence of Indebtedness under **Subsection 8.1(b)(x)** or (xvii), as applicable, is being given effect to in the calculation of the Consolidated Coverage Ratio).

For purposes of this definition, whenever pro forma effect is to be given to any Sale, Purchase or other transaction, or the amount of income or earnings relating thereto and the amount of Consolidated Interest Expense associated with any Indebtedness Incurred, Designated Preferred Stock issued, or Indebtedness or Designated Preferred Stock Discharged in connection therewith, the pro

forma calculations in respect thereof (including in respect of anticipated cost savings or synergies relating to any such Sale, Purchase or other transaction) shall be as determined in good faith by the Chief Financial Officer or a Responsible Officer of the Borrower, which determination shall be conclusive; provided that with respect to cost savings or synergies relating to any Sale, Purchase or other transaction, the related actions are expected by the Borrower to be taken no later than 36 months after the date of determination. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest expense on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Indebtedness). If any Indebtedness bears, at the option of the Borrower or a Restricted Subsidiary, a rate of interest based on a prime or similar rate, a eurocurrency interbank offered rate or other fixed or floating rate, and such Indebtedness is being given pro forma effect, the interest expense on such Indebtedness shall be calculated by applying such optional rate as the Borrower or such Restricted Subsidiary may designate. If any Indebtedness that is being given pro forma effect was incurred under a revolving credit facility, the interest expense on such Indebtedness shall be computed based upon the average daily balance of such Indebtedness during the applicable period; provided that, in the case of the Senior ABL Facility as of the Closing Date, such facility shall be treated as if it were in place for any fiscal quarter (or portion thereof) ending prior to the Closing Date, and the daily balance of Indebtedness thereunder for any date prior to the Closing Date shall be deemed to be \$0. Interest on a Financing Lease Obligation shall be deemed to accrue at an interest rate determined in good faith by a responsible financial or accounting officer of the Borrower (which determination shall be conclusive) to be the rate of interest implicit in such Financing Lease Obligation in accordance with GAAP.

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"Consolidated EBITDA": for any period, the Consolidated Net Income for such period, plus (w) the following to the extent deducted in calculating such Consolidated Net Income, without duplication: (i) the amount of Permitted Payments made with respect to Tax Distributions pursuant to Subsection 8.2(b)(vii)(C) and the provision for all taxes (whether or not paid, estimated or accrued) based on income, profits or capital (including penalties and interest, if any), (ii) Consolidated Interest Expense, all items excluded from the definition of Consolidated Interest Expense pursuant to clause (iii) thereof (other than Special Purpose Financing Expense), any Special Purpose Financing Fees, and to the extent not reflected in Consolidated Interest Expense, costs of surety bonds in connection with financing activities, (iii) depreciation, (iv) amortization (including but not limited to amortization of goodwill and intangibles and amortization and write-off of financing costs), (v) any non-cash charges or non-cash losses, (vi) any expenses or charges related to any equity offering, acquisition or other Investment or Indebtedness permitted by this Agreement (whether or not consummated or Incurred, and including any offering or sale of Capital Stock of a Parent Entity or IPO Vehicle), (vii) the amount of any loss attributable to non-controlling interests, (viii) all deferred financing costs written off and premiums paid in connection with any early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments, (ix) any management, monitoring, consulting and advisory fees and related expenses (including any such fees and expenses paid to the Sponsor or any of its Affiliates), (x) interest and investment income, (xi) the amount of loss on any Financing Disposition, (xii) any costs or expenses pursuant to any management or employee stock option or other equity-related plan, program or arrangement, or other benefit plan, program or arrangement, or any equity subscription or equityholder agreement, (xiii) the amount of any pre-opening losses attributable to any newly opened location within 12 months of the opening of such location, (xiv) net out-of-pocket costs and expenses related to the acquiring of inventory of a prior supplier of a company in connection with becoming a provider to such company, (xv) any expenses incurred in connection with any plant shutdown, (xvi) internal software development costs that are expensed during the period but could have been capitalized in accordance with GAAP, (xvii) any adjustments resulting from the application of Accounting Standards Codification Topic No. 460 and (xviii) the amount of any reduction in inventory cost attributable to rebates earned on quantities purchased under vendor programs which are recorded as reserves on the balance for such period, plus (x) the amount of net cost savings, operating expense reductions and synergies (including revenue synergies, including those related to new business and customer wins, the modification or renegotiation of contracts and other arrangements and pricing adjustments and increases) projected by the Borrower in good faith to be realized as the result of actions taken or to be taken on or prior to the Closing Date or within 36 months of the Closing Date in connection with the Transactions, or within 36 months of the initiation or consummation of any operational change or other initiative, or within 36 months of the consummation of any applicable acquisition or cessation of operations (in each case, calculated on a pro forma basis as though such cost savings, operating expense reductions 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 (which adjustments may be incremental to pro forma adjustments made pursuant to the proviso to the definition of "Consolidated Coverage Ratio", "Consolidated Secured Leverage Ratio", "Consolidated Total Leverage Ratio" or "Four Quarter Consolidated EBITDA"), plus (y) without duplication of any item in the preceding clause (w) or (x), additions of the type reflected in any quality of earnings analysis prepared by independent certified public accountants of nationally recognized standing or any other accounting firm reasonably acceptable to the Administrative Agent (it being understood that any "Big Four" accounting firms are acceptable) and delivered to the Administrative Agent in connection with any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary, or any other Investment, in each case that is permitted under this Agreement.

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"Consolidated Interest Expense": for any period, (i) the total interest expense of the Borrower and its Restricted Subsidiaries to the extent deducted in calculating Consolidated Net Income, net of any interest income of the Borrower and its Restricted Subsidiaries, including any such interest expense consisting of (A) interest expense attributable to Financing Lease Obligations (excluding, for the avoidance of doubt, any lease, rental or other expense in connection with a lease that is not a Financing Lease Obligation), (B) amortization of debt discount, (C) interest in respect of Indebtedness of any other Person that has been Guaranteed by the Borrower or any Restricted Subsidiary, but only to the extent that the Liquidation Adjustment would result in an increase in the liquidating distribution that would be made by Holdings to such interest is actually paid Holder (an "Excess Amount"), the consideration to be received for the Paired Interests tendered for Exchange by the Borrower or any Restricted Subsidiary, (D) non-cash interest expense, (E) the interest portion of any deferred payment obligation, and (F) commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing, plus (ii) Preferred Stock dividends paid in cash in respect of Disqualified Stock of the Borrower held by Persons other than the Borrower or a Restricted Subsidiary or in respect of Designated Preferred Stock of the Borrower pursuant to Subsection 8.2(b)(xi)(A), minus (iii) to the extent otherwise included in such interest expense referred to in clause (i) above, Special Purpose Financing Expense, accretion or accrual of discounted liabilities not constituting Indebtedness, expense resulting from discounting of Indebtedness in conjunction with recapitalization or purchase accounting, any "additional interest" in respect of registration rights arrangements for any securities, amortization or write-off of financing costs, and any expensing of bridge, commitment or other financing fees, in each case under clauses (i) through (iii) above as determined on a Consolidated basis in accordance with GAAP; provided that gross interest expense shall be determined after giving effect to any net payments made or received by the Borrower and its Restricted Subsidiaries with respect to Interest Rate Agreements.

"Consolidated Net Income": for any period, the net income (loss) of the Borrower and its Restricted Subsidiaries, determined on a Consolidated basis in accordance with GAAP and before any reduction in respect of Preferred Stock dividends minus, without duplication of any other deduction in calculating Consolidated Net Income in respect of such amounts, the amount of Permitted Payments made with respect to Tax Distributions pursuant to Subsection 8.2(b)(vii)(C); provided that, without duplication, there shall not be included in such Consolidated Net Income:

(i) any net income (loss) of any Person if such Person is not the Borrower or a Restricted Subsidiary, except that the Borrower's or any Restricted Subsidiary's net income for such period Holder shall be increased by (i) in the aggregate event of a Cash Exchange Payment, an amount actually dividended or distributed or that (as determined) of cash equal to such Excess Amount, and (ii) in the event shares of Class A Common Stock are to be delivered to a Holder, a number of shares of Class A

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Common Stock equal to such Excess Amount divided by the Borrower Liquidation Adjustment Price. To the extent that the Liquidation Adjustment would result in good faith, which determination a reduction in the liquidating distribution that would be made by Holdings to such Holder (a "Deficit Amount"), the consideration to be received for the Paired Interests tendered for Exchange by such Holder shall be conclusive) could have been dividended or distributed decreased by such Person during such period to the Borrower or a Restricted Subsidiary as a dividend or other distribution (subject, (x) in the case event of a dividend or other distribution Cash Exchange Payment, an amount of cash equal to such Deficit Amount and (y) in the event shares of Class A Common Stock are to be delivered to a Restricted Subsidiary, Holder, a number of shares of Class A Common Stock equal to such Deficit Amount divided by the limitations contained in clause (ii) below),

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(ii) solely for purposes of determining the amount available for Restricted Payments under Subsection 8.2(a)(3)(A) and Excess Cash Flow, any net income (loss) of any Restricted Subsidiary Liquidation Adjustment Price; provided, however, that is not a Subsidiary Guarantor if such Restricted Subsidiary is subject Holder instead elects to restrictions, directly or indirectly, on the payment of dividends or the making of similar distributions by such Restricted Subsidiary, directly or indirectly, make a contemporaneous cash contribution to the Borrower by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable Holdings equal to such Restricted Subsidiary or its stockholders (other than (x) restrictions that have been waived or otherwise released, (y) restrictions

pursuant to this Agreement or the other Loan Documents, the Senior Notes Documents and the ABL Facility Documents, and (z) restrictions in effect on the Closing Date with respect to a Restricted Subsidiary and other restrictions Deficit Amount, there shall be no Deficit Amount with respect to such Restricted Subsidiary that taken as a whole are not materially less favorable to the Lenders than such restrictions in effect on the Closing Date as determined by the Borrower in good faith, which determination shall be conclusive), except that the Borrower's equity in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount of any dividend or distribution that was or that (as determined by the Borrower in good faith, which determination shall be conclusive) could have been made by such Restricted Subsidiary during such period to the Borrower or another Restricted Subsidiary (subject, in the case of a dividend that could have been made to another Restricted Subsidiary, to the limitation contained in this clause (ii)).

(iii) (x) any gain or loss realized upon the sale, abandonment or other disposition of any asset of the Borrower or any Restricted Subsidiary (including pursuant to any sale/leaseback transaction) that is not sold, abandoned or otherwise disposed of in the ordinary course of business (as determined by the Borrower in good faith, which determination shall be conclusive) and (y) any gain or loss realized upon the disposal, abandonment or discontinuation of operations of the Borrower or any Restricted Subsidiary,

(iv) any extraordinary, unusual, nonrecurring, exceptional, special or infrequent gain, loss or charge and any other gain, loss or charge not in the ordinary course of business (as reasonably determined and calculated by the Borrower in good faith, which determination shall be conclusive) (including fees, expenses and charges (or any amortization thereof) associated with the Transactions, the Tranche B Effective Date Transactions or any acquisition, merger or consolidation, whether or not completed), any severance, relocation, consolidation, closing, integration, facilities opening, business optimization and/or similar initiatives or programs, transition or restructuring costs, charges or expenses (whether or not classified as restructuring costs, charges or expenses on the consolidated financial statements of the Borrower), any signing, stretch, retention or completion bonuses, and any costs associated with curtailments or modifications to pension and post-retirement employee benefit plans,

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(v) the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies,

(vi) all deferred financing costs written off and premiums paid in connection with any early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments,

(vii) any unrealized gains or losses in respect of Hedge Agreements,

(viii) any unrealized foreign currency translation or transaction gains or losses, including in respect of Indebtedness of any Person denominated in a currency other than the functional currency of such Person,

(ix) any non-cash compensation charge arising from any grant of limited liability company interests, stock, stock options or other equity based awards,

(x) to the extent otherwise included in Consolidated Net Income, any unrealized foreign currency translation or transaction gains or losses, including in respect of Indebtedness or other obligations of the Borrower or any Restricted Subsidiary owing to the Borrower or any Restricted Subsidiary,

(xi) any non-cash charge, expense or other impact attributable to application of the purchase or recapitalization method of accounting (including the total amount of depreciation and amortization, cost of sales or other non-cash expense resulting from the write-up of assets to the extent resulting from such purchase or recapitalization accounting adjustments), non-cash charges for deferred tax valuation allowances and non-cash gains, losses, income and expenses resulting from fair value accounting required by the applicable standard under GAAP,

(xii) any impairment charge or asset write-off, including any charge or write-off related to intangible assets, long-lived assets or investments in debt and equity securities, and any amortization of intangibles,

(xiii) expenses related to the conversion of various employee benefit and equity programs in connection with the Transactions or the Tranche B Effective Date Transactions, and non-cash compensation related expenses,

(xiv) any fees and expenses (or amortization thereof), and any charges or costs, in connection with or related to any acquisition, investment, Asset Disposition, issuance of Capital Stock or other equity offering, dividend, distribution or other Restricted Payment, Incurrence, Discharge or refinancing of Indebtedness, or amendment or modification of any agreement or instrument relating to any Indebtedness (in each case, whether or not completed, consummated or Incurred, and including (i) any such transaction consummated prior to the Closing Date, (ii) any offering or sale of Capital Stock of a Parent Entity or an IPO Vehicle to the extent the proceeds thereof were contributed, or if not consummated, were intended to be contributed to the equity capital of the Borrower or any of its Restricted Subsidiaries and (iii) any rating agency fees, consulting fees and other related expenses and/or letter of credit or similar fees),

(xv) to the extent covered by insurance and actually reimbursed (or the Borrower has determined that there exists reasonable evidence that such amount will be reimbursed by the insurer and such amount is not denied by the applicable insurer in writing within 180 days and is reimbursed within 365 days of the date of such evidence (with a deduction in any future calculation of Consolidated Net Income for any amount so added back to the extent not so reimbursed within such 365 day period)), any expenses with respect to liability or casualty events or business interruption,

(xvi) any expenses, charges and losses in the form of earn-out obligations and contingent consideration obligations (including to the extent accounted for as performance and retention bonuses, compensation or otherwise) and adjustments thereof and purchase price adjustments, in each case paid in connection with any acquisition, merger or consolidation or Investment,

(xvii) any expenses or reserves for liabilities to the extent that the Borrower or any Restricted Subsidiary is entitled to indemnification therefor under binding agreements and is actually reimbursed (or the Borrower has determined that there exists reasonable evidence that such amount will be reimbursed by the indemnifying party and such amount is not denied by the applicable indemnifying party in writing within 180 days and is reimbursed within 365 days of the date of such evidence (with a deduction in any future calculation of Consolidated Net Income for any amount so added back to the extent not so reimbursed within such 365 day period)),

(xviii) any accruals and reserves established or adjusted within 12 months after the Closing Date that are established as a result of the Transactions, and

(xix) effects of adjustments to accruals and reserves established during a prior period attributable to any change in the methodology of calculating reserves for returns, rebates and other chargebacks (including government program rebates),

provided, further, that the exclusion of any item pursuant to the foregoing clauses (i) through (xix) shall also exclude the tax impact of any such item, if applicable.

Notwithstanding the foregoing, for the purpose of Subsection 8.2(a)(3)(A) only, there shall be excluded from Consolidated Net Income, without duplication, any income consisting of dividends, repayments of loans or advances or other transfers of assets from Unrestricted Subsidiaries to the Borrower or a Restricted Subsidiary, and any income consisting of return of capital, repayment or other proceeds from dispositions or repayments of Investments consisting of Restricted Payments, in each case to the extent such income would be included in Consolidated Net Income and such related dividends, repayments, transfers, return of capital or other proceeds are applied by the Borrower to increase the amount of Restricted Payments permitted under Subsection 8.2(a)(3)(C) or (D).

In addition, Consolidated Net Income for any period ending on or prior to the Closing Date shall be determined based upon the net income (loss) reflected in the combined financial statements of the Waterworks Business for such period, with pro forma effect being given to the Transactions; and each Person that is a Restricted Subsidiary upon giving effect to the Transactions shall be deemed to be a Restricted Subsidiary and the Transactions shall not constitute a sale or disposition under clause (iii) above, for purposes of such determination.

"Consolidated Secured Indebtedness": as of any date of determination, (i) an amount equal to the Consolidated Total Indebtedness (without regard to clause (iii) of the definition thereof) as of such date that, in each case is then secured by Liens on Collateral (other than (x) Indebtedness secured by a Lien ranking junior to or subordinated to the Liens securing the Term Loan Facility Obligations (but, for the avoidance of doubt, not excluding ABL Facility Loans or other Consolidated Total Indebtedness secured by Liens *pari passu* therewith), (y) property or assets held in a defeasance or similar trust or arrangement for the benefit of the Indebtedness secured thereby and (z) solely with respect to the determination of the amount available to be Incurred pursuant to the Ratio Incremental Facility and clause (s) of "Permitted Liens", Indebtedness Incurred pursuant to the Cash Capped Incremental Facility), minus (ii) the sum of (A) the amount of such Indebtedness consisting of Indebtedness of a type referred to in, or Incurred pursuant to, Subsection 8.1(b)(ix), (B) Unrestricted Cash of the Borrower and its Restricted Subsidiaries (excluding any proceeds of any Indebtedness of the Borrower and its Restricted Subsidiaries in respect of ABL Facility Loans or loans under any other revolving facility) and (C) the average daily balance of Unrestricted Cash of the Borrower and its Restricted Subsidiaries that is proceeds of any Indebtedness of the Borrower and its Restricted Subsidiaries in respect of ABL Facility Loans or loans under any other revolving facility for the most recent four consecutive Fiscal Quarters of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) ending prior to the date of determination for which consolidated financial statements of the Borrower are available.

"Consolidated Secured Leverage Ratio": as of any date of determination, the ratio of (i) Consolidated Secured Indebtedness as at such date (after giving effect to any Incurrence or Discharge of Indebtedness on such date) to (ii) the Four Quarter Consolidated

EBITDA as of such date; provided that, (x) in the event that the Borrower shall classify Indebtedness Incurred on the date of determination as secured in part pursuant to clause (k)(1) of the "Permitted Liens" definition in respect of Indebtedness Incurred pursuant to the Ratio Incremental Facility and in part pursuant to such clause (k)(1) in respect of Indebtedness Incurred pursuant to Subsection 8.1(b)(i) (other than pursuant to the Ratio Incremental Facility) or one or more other clauses or subclauses of the definition of "Permitted Liens" (other than clause (s)), as provided in clause (w) of the final paragraph of such definition, any calculation of the Consolidated Secured Leverage Ratio on such date of determination, including in the definition of "Maximum Incremental Facilities Amount", shall not include any such Indebtedness (and shall not give effect to any Discharge of Indebtedness from the proceeds thereof) not Incurred pursuant to the Ratio Incremental Facility and (y) in the event that the Borrower shall classify Indebtedness Incurred on the date of determination as secured in part pursuant to clause (s) of the "Permitted Liens" definition and in part pursuant to one or more other clause of the definition of "Permitted Liens" (other than clause (k)(1) in respect of Indebtedness Incurred pursuant to the Ratio Incremental Facility), as provided in clause (x) of the final paragraph of such definition, any calculation of the Consolidated Secured Leverage Ratio on such date of determination shall not include any such Indebtedness (and shall not give effect to any Discharge of Indebtedness from the proceeds thereof) to the extent secured pursuant to any such other clause of such definition.

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"Consolidated Tangible Assets": as of any date of determination, the total assets, less the sum of the goodwill and other intangible assets, in each case that is or would be reflected on the consolidated balance sheet of the Borrower as at the end of the most recently ended Fiscal Quarter of the Borrower for which such a balance sheet of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) is available, determined on a Consolidated basis in accordance with GAAP (and, in the case of any determination relating to any Incurrence of Indebtedness or Liens or any Investment, on a pro forma basis including any property or assets being acquired in connection therewith).

"Consolidated Total Indebtedness": as of any date of determination, an amount equal to (i) the aggregate principal amount of outstanding Indebtedness of the Borrower and its Restricted Subsidiaries as of such date consisting of (without duplication) Indebtedness for borrowed money (including Purchase Money Obligations and unreimbursed outstanding drawn amounts under funded letters of credit); Financing Lease Obligations; debt obligations evidenced by bonds, debentures, notes or similar instruments (but excluding surety bonds, performance bonds or other similar instruments); Disqualified Stock; and (in the case of any Restricted Subsidiary that is not a Subsidiary Guarantor) Preferred Stock, determined on a Consolidated basis in accordance with GAAP (excluding (x) items eliminated in Consolidation, (y) Hedging Obligations and (z) any outstanding Indebtedness under any revolving credit facility), plus (ii) the average daily balance of Indebtedness of the Borrower and its Restricted Subsidiaries under any revolving credit facility for the most recent four consecutive Fiscal Quarters of the Borrower ending prior to the date of determination for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available (provided that for any date prior to the Closing Date the daily balance of Indebtedness of the Borrower and its Restricted Subsidiaries under revolving credit facilities shall be deemed to be \$0), minus (iii) the sum of (A) the amount of such Indebtedness consisting of Indebtedness of a type referred to in, or Incurred pursuant to, Subsection 8.1(b)(ix), (B) Unrestricted Cash of the Borrower and its Restricted Subsidiaries (excluding any proceeds of any Indebtedness of the Borrower and its Restricted Subsidiaries in respect of ABL Facility Loans or loans under any other revolving facility) and (C) the average daily balance of Unrestricted Cash of the Borrower and its Restricted Subsidiaries that is proceeds of any Indebtedness of the Borrower and its Restricted Subsidiaries in respect of ABL Facility Loans or loans under any other revolving facility for the most recent four consecutive Fiscal Quarters of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) ending prior to the date of determination for which consolidated financial statements of the Borrower are available. For purposes hereof, any earn-out or similar obligations shall not constitute Consolidated Total Indebtedness until such obligation becomes a liability on the consolidated balance sheet of the Borrower in accordance with GAAP and is not paid within 30 days after becoming due and payable.

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"Consolidated Total Leverage Ratio": as of any date of determination, the ratio of (i) Consolidated Total Indebtedness as at such date (after giving effect to any Incurrence or Discharge of Indebtedness on such date) to (ii) the Four Quarter Consolidated EBITDA as of such date; provided that, for purposes of the foregoing calculation, in the event that the Borrower shall classify Indebtedness Incurred on the date of determination as Incurred in part pursuant to Subsection 8.1(b)(x) (other than by reason of subclause (2) or (4) of the proviso to such clause (x)) or Subsection 8.1(b)(xvii), and in part pursuant to one or more other clauses or subclauses of Subsection 8.1(b) and/or (unless the Borrower at its option has elected to disregard Indebtedness being Incurred on the date of determination in part pursuant to subclause (2) or (4) of the proviso to Subsection 8.1(b)(x) or Subsection 8.1(b)(xvii) for purposes of calculating the Consolidated Coverage Ratio for Incurring Indebtedness on the date of determination in part under Subsection 8.1(a)) pursuant to Subsection 8.1(a) (as provided in Subsections 8.1(c)(ii) and (iii)), Consolidated Total Indebtedness shall not include any such Indebtedness Incurred pursuant to one or more such other clauses or subclauses of Subsection 8.1(b) and/or pursuant to Subsection 8.1(a), and shall not give effect to any Discharge of any Indebtedness from the proceeds of any such Indebtedness being disregarded for

purposes of the calculation of the Consolidated Total Leverage Ratio on such date of determination that otherwise would be included in Consolidated Total Indebtedness.

"Consolidated Working Capital": at any date, the excess of (a) the sum of all amounts (other than cash, Cash Equivalents and Temporary Cash Investments) that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of the Borrower at such date excluding the current portion of current and deferred income taxes over (b) the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of the Borrower on such date, including deferred revenue but excluding, without duplication, (i) the current portion of any Funded Debt, (ii) all Indebtedness consisting of Loans to the extent otherwise included therein, (iii) the current portion of interest and (iv) the current portion of current and deferred income taxes.

"Consolidation": the consolidation of the accounts of each of the Restricted Subsidiaries with those of the Borrower in accordance with GAAP; provided that "Consolidation" will not include consolidation of the accounts of any Unrestricted Subsidiary, but the interest of the Borrower or any Restricted Subsidiary in any Unrestricted Subsidiary will be accounted for as an investment. The term "Consolidated" has a correlative meaning. For purposes of this Agreement for periods ending on or prior to the Closing Date, references to the consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) shall be to the combined financial statements of the Waterworks Business for such period, with pro forma effect being given to the Transactions (with Subsidiaries that comprise the Waterworks Business that are Subsidiaries of the Borrower after giving effect to the Transactions being deemed Subsidiaries of the Borrower), as the context may require.

"Contingent Obligation": with respect to any Person, any obligation of such Person guaranteeing any obligation that does not constitute Indebtedness (a "primary obligation") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (1) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (2) to advance or supply funds (a) for the purchase or payment of any such primary obligation or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor or (3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

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"Contract Consideration": as defined in Subsection 4.4(e)(iii)(A)(2)(z).

"Contractual Obligation": as to any Person, any provision of any material security issued by such Person or of any material agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Contribution Amounts": the aggregate amount of capital contributions applied by the Borrower to permit the Incurrence of Contribution Indebtedness pursuant to Subsection 8.1(b)(xi).

"Contribution Indebtedness": Indebtedness of the Borrower or any Restricted Subsidiary in an aggregate principal amount not greater than twice the aggregate amount of cash contributions (other than Excluded Contributions, the Pubco IPO Transaction Proceeds, the proceeds from the issuance of Disqualified Stock or contributions by the Borrower or any Restricted Subsidiary) made to the capital of the Borrower or such Restricted Subsidiary after the Closing Date (whether through the issuance or sale of Capital Stock or otherwise); provided that such Contribution Indebtedness (a) is Incurred within 180 days after the receipt of the related cash contribution and (b) is so designated as Contribution Indebtedness pursuant to a certificate of a Responsible Officer of the Borrower promptly following the date of Incurrence thereof.

"Core & Main Buyer": Core & Main Buyer, Inc., a Delaware corporation, and any successor in interest thereto.

"Core & Main Connector": Core & Main Connector, LLC, a Delaware limited liability company, and any successor in interest thereto.

"Covered Entity": any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Covered Instrument": as defined in Subsection 11.1(k).

"Covered Liabilities": as defined in Subsection 11.21.

"COVID-19": the novel coronavirus disease, COVID-19 virus (SARS-COV-2 and all related strains and sequences) or mutation (or antigenic shift or drift) thereof or a disease or public health emergency resulting therefrom.

"Cured Default": as defined in Subsection 1.2(c).

"Currency Agreement": in respect of a Person, any foreign exchange contract, currency swap agreement or other similar agreement or arrangements (including derivative agreements or arrangements), as to which such Person is a party or a beneficiary.

"Debt Financing": the debt financing transactions contemplated under (a) the Loan Documents, (b) the ABL Facility Documents and (c) the Senior Notes Documents, in each case including any Interest Rate Agreements related thereto.

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"Declined Amounts": the sum of (x) the Term Loan Declined Amounts and (y) the amount of Excess Cash Flow and Net Available Cash of any Asset Disposition offered (to the extent the Borrower or any Restricted Subsidiary is required by the terms thereof) to prepay, repay or purchase other Indebtedness that is secured by the Collateral on a *pari passu* basis with the Obligations and which the holders of such Indebtedness decline to accept pursuant to terms equivalent to Subsection 4.4(h) (as determined by the Borrower in good faith, which determination shall be conclusive).

"Default": any of the events specified in Subsection 9.1, whether or not any requirement for the giving of notice (other than, in the case of Subsection 9.1(e), a Default Notice), the lapse of time, or both, or any other condition specified in Subsection 9.1, has been satisfied.

"Default Direction": as defined in Subsection 11.1(k).

"Default Notice": as defined in Subsection 9.1(e).

"Default Right": has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. § 252.81, 47.2 or 382.1, as applicable.

"Defaulting Lender": subject to Subsection 4.14(g), any Lender or Agent whose circumstances, acts or failure to act, whether directly or indirectly, cause it to meet any part of the definition of "Lender Default".

"Deposit Account": any deposit account (as such term is defined in Article 9 of the UCC).

"Designated Affiliate": as defined in Subsection 11.1(k).

"Designated Noncash Consideration": the non-cash consideration received by the Borrower or one of its Restricted Subsidiaries in connection with an Asset Disposition that is so designated as Designated Noncash Consideration pursuant to a certificate of a Responsible Officer of the Borrower, setting forth the basis of such valuation.

"Designated Preferred Stock": Preferred Stock of the Borrower (other than Disqualified Stock) or any Parent Entity or IPO Vehicle that is issued after the Closing Date for cash (other than to a Restricted Subsidiary) and is so designated as Designated Preferred Stock, pursuant to a certificate of a Responsible Officer of the Borrower; provided that the cash proceeds of such issuance shall be excluded from the calculation set forth in Subsection 8.2(a)(3)(B).

"Designation Date": as defined in Subsection 2.10(f).

"Discharge": to repay, repurchase, redeem, defease or otherwise acquire, retire or discharge; and the term "Discharged" shall have a correlative meaning.

"Discharge of ABL Collateral Obligations": the "Discharge of ABL Collateral Obligations" as defined in the ABL/Term Loan Intercreditor Agreement or the equivalent term in any Other Intercreditor Agreement.

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"Discount Prepayment Accepting Lender": as defined in Subsection 4.4(l)(ii)(2).

"Discount Range": as defined in Subsection 4.4(l)(iii)(1).

"Discount Range Prepayment Amount": as defined in Subsection 4.4(l)(iii)(1).

"Discount Range Prepayment Notice": a written notice of the Borrower Solicitation of Discount Range Prepayment Offers made pursuant to Subsection 4.4(l) substantially in the form of Exhibit Q.

"Discount Range Prepayment Offer": the irrevocable written offer by a Lender, substantially in the form of Exhibit P, submitted in response to an invitation to submit offers following the Administrative Agent's receipt of a Discount Range Prepayment Notice.

"Discount Range Prepayment Response Date": as defined in Subsection 4.4(l)(iii)(1).

"Discount Range Proration": as defined in Subsection 4.4(l)(iii)(3).

"Discounted Prepayment Determination Date": as defined in Subsection 4.4(l)(iv)(3).

"Discounted Prepayment Effective Date": in the case of a Borrower Offer of Specified Discount Prepayment, Borrower Solicitation of Discount Range Prepayment Offers or Borrower Solicitation of Discounted Prepayment Offers, or otherwise, the date that is five Business Days following the receipt by each relevant Lender of notice from the Administrative Agent in accordance with Subsection 4.4(l)(ii), Subsection 4.4(l)(iii) or Subsection 4.4(l)(iv), as applicable unless a shorter period is agreed to between the Borrower and the Administrative Agent.

"Discounted Term Loan Prepayment": as defined in Subsection 4.4(l)(i).

"Disinterested Directors": with respect to any Affiliate Transaction, one or more members of the Board of Directors of the Borrower, or one or more members of the Board of Directors of a Parent Entity or IPO Vehicle, having no material direct or indirect financial interest in or with respect to such Affiliate Transaction. A member of any such Board of Directors shall not be deemed to have such a financial interest by reason of such member's holding Capital Stock of the Borrower or any Parent Entity or IPO Vehicle or any options, warrants or other rights in respect of such Capital Stock or by reason of such member receiving any compensation from the Borrower or any Parent Entity or IPO Vehicle, as applicable, on whose Board of Directors such member serves in respect of such member's role as director.

"Disposition": as defined in the definition of "Asset Disposition" in this Subsection 1.1.

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"Disqualified Party": (i) any competitor of the Borrower and its Restricted Subsidiaries that is in the same or a similar line of business as the Borrower and its Restricted Subsidiaries or any affiliate of such competitor, (ii) any Person whose principal investment strategy is investing in distressed debt or the pursuance of loan-to-own strategies that is identified from time to time in writing by the Borrower or CD&R to the Administrative Agent, (iii) any Person designated in writing by the Borrower or CD&R to the Administrative Agent (a) on or prior to the First Amendment Effective Date or (b) following the First Amendment Effective Date with the consent of the Administrative Agent (which consent shall not be unreasonably withheld, conditioned or delayed); provided, that in no event shall any notice given pursuant to clauses (ii) and (iii)(b) above apply to retroactively disqualify any Person who previously acquired and continues to hold, any Loans, Commitments or participations prior to the receipt of such notice, and (iv) any Lender that has made an incorrect representation or warranty or deemed representation or warranty with respect to not being a Net Short Lender as provided in Subsection 11.1(k); provided, that any Lender that has inadvertently or unintentionally made such incorrect representation or warranty or deemed representation or warranty with respect to not being a Net Short Lender shall cease to be a Disqualified Party if it has notified the Borrower in good faith that it has made such incorrect representation or warranty or deemed representation or warranty inadvertently or unintentionally.

"Disqualified Stock": with respect to any Person, any Capital Stock (other than Management Stock) that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable) or upon the happening of any event (other than following the occurrence of a Change of Control or other similar event described under such terms as a "change of control" or an Asset Disposition or other disposition) (i) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise, (ii) is convertible or exchangeable for Indebtedness or Disqualified Stock or (iii) is redeemable at the option of the holder thereof (other than following the occurrence of a Change of Control or other similar event described under such terms as a "change of control" or an Asset Disposition or other disposition), in whole or in part, in each case on or prior to the Initial Term Loan Maturity Date; provided that Capital Stock issued to any employee benefit plan, or by any such plan to any employees of the Borrower or any Subsidiary, shall not constitute Disqualified Stock solely because it may be required to be repurchased or otherwise acquired or retired in order to satisfy applicable statutory or regulatory obligations.

"Division": as defined in Subsection 1.2(k).

"Dollars" and "\$": dollars in lawful currency of the United States of America.

"Domestic Borrowing Base": the sum of (1) 90.0% of the book value of Inventory of the Borrower and its Domestic Subsidiaries that are Restricted Subsidiaries, (2) 90.0% of the book value of Receivables of the Borrower and its Domestic Subsidiaries that are Restricted Subsidiaries and (3) cash, Cash Equivalents and Temporary Cash Investments of the Borrower and its Domestic Subsidiaries that are Restricted Subsidiaries (in each case, determined as of the end of the most recently ended fiscal month of the Borrower for which internal consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available, and, in the case of any determination relating to any Incurrence of Indebtedness, on a pro forma basis including (x) any property or assets of a type described above acquired since the end of such fiscal month and (y) any property or assets of a type described above being acquired in connection therewith).

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"Domestic Subsidiary": any Restricted Subsidiary of the Borrower other than a Foreign Subsidiary.

"Earlier Maturity Date Basket": at any date of determination, an amount equal to the greater of (1) \$200,000,000 and (2) 50.0% of Four Quarter Consolidated EBITDA.

"ECF Acquisition": as defined in clause (a)(iii) of the definition of "Excess Cash Flow".

"ECF Disposition": as defined in clause (a)(iii) of the definition of "Excess Cash Flow".

"ECF Payment Date": as defined in Subsection 4.4(e)(iii).

"ECF Prepayment Amount": as defined in Subsection 4.4(e)(iii).

"EEA Financial Institution": (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 and is subject to the supervision of an EEA Resolution Authority, or (c) any financial institution established in an EEA Member Country which is a Subsidiary of an institution described in clause (a) or (b) of this definition and is subject to consolidated supervision of an EEA Resolution Authority with its parent.

"EEA Member Country": any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"EEA Resolution Authority": 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.

"Environmental Costs": any and all costs or expenses (including attorney's and consultant's fees, investigation and laboratory fees, response costs, court costs and litigation expenses, fines, penalties, damages, settlement payments, judgments and awards), of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way relating to, any actual or alleged violation of, noncompliance with or liability under any Environmental Laws. Environmental Costs include any and all of the foregoing, without regard to whether they arise out of or are related to any past, pending or threatened proceeding of any kind.

"Environmental Laws": any and all U.S. or foreign, federal, state, provincial, territorial, local or municipal laws, rules, orders, enforceable guidelines and orders-in-council, regulations, statutes, ordinances, codes, decrees, and such requirements of any Governmental Authority properly promulgated and having the force and effect of law or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health (as it relates to exposure to Materials of Environmental Concern) or the environment, as have been, or now or at any relevant time hereafter are, in effect.

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"Environmental Permits": any and all permits, licenses, registrations, notifications, exemptions and any other authorization required under any Environmental Law.

"Equity Contribution": the direct or indirect cash equity contribution to Passthrough Holdings and New Blocker (with any cash equity contribution to Passthrough Holdings and New Blocker used in full to finance the Transactions or otherwise contributed to the Borrower) by CD&R Fund X and any other investors arranged by CD&R (collectively, the "Investors"), in an aggregate amount, when combined with the value of the equity of management of the Waterworks Business retained, rolled over or otherwise invested in connection with the Transactions is equal to at least 25% of the pro forma capitalization of the Borrower and its Subsidiaries after giving effect to the Transactions; provided that, for purposes of such calculation increased levels of Indebtedness (x) from any ABL Facility Loans Incurred on the Closing Date, other than Borrowings to finance the Transactions and (y) as a result of OID and/or upfront fees in respect of the Facilities and/or the Senior Notes other than the upfront fees (including such upfront fees that are structured as OID) payable under the Fee Letter shall be excluded from such calculation.

"ERISA": the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

"Escrow Borrower": as defined in Subsection 2.8(a).

"Escrow Subsidiary": a Wholly Owned Domestic Subsidiary formed, established or designated for the purpose of Incurring Indebtedness the proceeds of which will be subject to an escrow or other similar arrangement; provided that upon the termination of all such escrow or similar arrangements of such Subsidiary, such Subsidiary shall cease to constitute an "Escrow Subsidiary" hereunder and shall merge with and into the Borrower or one of its Restricted Subsidiaries that is a Loan Party in accordance with Subsection 8.7. Prior to its merger with and into such Person, each Escrow Subsidiary shall not own, hold or otherwise have any interest in any material assets other than the proceeds of the applicable Indebtedness Incurred by such Escrow Subsidiary and any cash, Cash Equivalents or Temporary Cash Investments invested in such Escrow Subsidiary to cover interest and premium in respect of such Indebtedness.

"Ethically Screened Affiliate": any Affiliate of a Person that (i) is managed as to day-to-day matters (but excluding, for the avoidance of doubt, as to strategic direction and similar matters) independently from such Person and any other Affiliate of such Person that is not an Ethically Screened Affiliate, (ii) has in place customary information screens between it and such Person and any other Affiliate of such Person that is not an Ethically Screened Affiliate and (iii) such Person or any other Affiliate of such Person that is not an Ethically Screened Affiliate does not direct or cause the direction of the investment policies of such entity, nor does such Person's or any such other Affiliate's investment decisions influence the investment decisions of such entity.

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

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"Eurodollar Loans": Loans the rate of interest applicable to which is based upon the Adjusted LIBOR Rate.

"Event of Default": any of the events specified in Subsection 9.1, provided that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

"Excess Cash Flow": for any period, an amount equal to the excess of:

(a) the sum, without duplication, of

(i) Consolidated Net Income for such period,

(ii) an amount equal to the amount of all non-cash charges to the extent deducted in calculating such Consolidated Net Income and cash receipts to the extent excluded in calculating such Consolidated Net Income (except to the extent such cash receipts are attributable to revenue or other items that would be included in calculating Consolidated Net Income for any prior period),

(iii) decreases in Consolidated Working Capital for such period (other than any such decreases arising (x) from any acquisition or disposition of (a) any business unit, division, line of business or Person or (b) any assets other than in the ordinary course of business (each, an "ECF Acquisition" or "ECF Disposition", respectively) by the Borrower and the Restricted Subsidiaries completed during such period, (y) from the application of purchase accounting or (z) as a result of the reclassification of any balance sheet item from short-term to long-term or vice versa),

(iv) an amount equal to the aggregate net non-cash loss on Asset Dispositions (or any disposition specifically excluded from the definition of "Asset Disposition") by the Borrower or any Restricted Subsidiary during such period (other than in the ordinary course of business) to the extent deducted in calculating such Consolidated Net Income,

(v) cash receipts in respect of Hedge Agreements during such period to the extent not otherwise included in calculating such Consolidated Net Income, and

(vi) any extraordinary, unusual, nonrecurring, exceptional, special or infrequent cash gain and any other cash gain not in the ordinary course of business (as reasonably determined and calculated by the Borrower in good faith, which determination shall be conclusive), in each case to the extent deducted in calculating such Consolidated Net Income,

over (b) the sum, without duplication, of

(i) an amount equal to the amount of all non-cash credits included in calculating such Consolidated Net Income and cash charges to the extent not deducted in calculating such Consolidated Net Income,

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(ii) [reserved].

(iii) the aggregate amount of all principal payments, purchases or other retirements of Indebtedness of the Borrower and the Restricted Subsidiaries (including (A) the principal component of payments in respect of Financing Lease Obligations and (B) the amount of a mandatory prepayment of Term Loans pursuant to Subsection 4.4(e)(i) and any mandatory prepayment, repayment or redemption of Pari Passu Indebtedness pursuant to requirements under the agreements governing such Pari Passu Indebtedness similar to the requirements set forth in Subsection 4.4(e)(i) (as determined by the Borrower in good faith, which determination shall be conclusive), to the extent required due to an Asset Disposition (or any disposition specifically excluded from the definition of "Asset Disposition") that resulted in an increase to Consolidated Net Income and not in excess of the amount of such increase, but excluding (x) all other prepayments of Loans, (y) all prepayments of ABL Facility Loans and (z) all prepayments of revolving loans (other than Revolving Loans hereunder), to the extent there is not an equivalent permanent reduction in commitments thereunder) made during such period, except to the extent financed with the proceeds of long-term Indebtedness of the Borrower or the Restricted Subsidiaries,

(iv) an amount equal to the aggregate net non-cash gain on Asset Dispositions (or any disposition specifically excluded from the definition of "Asset Disposition") by the Borrower and the Restricted Subsidiaries during such period (other than in the ordinary course of business) to the extent included in calculating such Consolidated Net Income,

(v) increases in Consolidated Working Capital for such period (other than any such increases arising (x) from any ECF Acquisition or ECF Disposition by the Borrower and the Restricted Subsidiaries completed during such period, (y) from the application of purchase accounting or (z) as a result of the reclassification of any balance sheet item from short-term to long-term or vice versa),

(vi) payments by the Borrower and the Restricted Subsidiaries during such period in respect of long-term liabilities of the Borrower and the Restricted Subsidiaries other than Indebtedness, to the extent not already deducted in calculating Consolidated Net Income,

(vii) [reserved].

(viii) the amount of Restricted Payments (other than Investments) made in cash during such period (on a consolidated basis) by the Borrower and the Restricted Subsidiaries pursuant to Subsection 8.2(b) (other than with respect to Related Taxes pursuant to Subsection 8.2(b)(vii)(C) and pursuant to Subsections 8.2(b)(vi), (vii)(B) and (xvi)), to the extent such Restricted Payments were financed with internally generated cash flow of the Borrower and the Restricted Subsidiaries,

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(ix) the aggregate amount of expenditures actually made by the Borrower and the Restricted Subsidiaries in cash during such period (including expenditures for the payment of financing fees) to the extent that such expenditures are not expensed during such period and are not deducted in calculating Consolidated Net Income,

(x) the aggregate amount of any premium, make-whole or penalty payments actually paid in cash by the Borrower and the Restricted Subsidiaries during such period that are made in connection with any prepayment of Indebtedness to the extent that such payments are not deducted in calculating Consolidated Net Income,

(xi) [reserved].

(xii) the aggregate amount of Permitted Payments made pursuant to Subsection 8.2(b)(vii)(B), with respect to Related Taxes pursuant to Subsection 8.2(b)(vii)(C) and taxes (including penalties and interest) paid in cash or tax reserves set aside or payable (without duplication) in such period to the extent they exceed the amount of tax expense deducted in calculating such Consolidated Net Income for such period,

(xiii) cash expenditures in respect of Hedge Agreements during such period to the extent not deducted in calculating such Consolidated Net Income, and

(xiv) (v) any extraordinary, unusual, nonrecurring, exceptional, special or infrequent cash loss or charge and any other cash loss or charge not in the ordinary course of business (as reasonably determined and calculated by the Borrower in good faith, which determination shall be conclusive) (including fees, expenses, charges (or any amortization thereof) associated with the Transactions, the Tranche B Effective Date Transactions or any acquisition, merger or consolidation, whether or not completed), (w) any fees and expenses (or amortization thereof), and any charges or costs, in connection with or related to any acquisition, Investment, Asset Disposition, issuance of Capital Stock or other equity offering, dividend, distribution or other Restricted Payment, Incurrence, Discharge or refinancing of Indebtedness, or amendment or modification of any agreement or instrument relating to any Indebtedness (in each case, whether or not completed, consummated or Incurred, and including (i) any such transaction consummated prior to the Closing Date, (ii) any offering or sale of Capital Stock of a Parent Entity or an IPO Vehicle to the extent the proceeds thereof were contributed, or if not consummated, were intended to

be contributed to the equity capital of the Borrower or any of its Restricted Subsidiaries and (iii) any rating agency fees, consulting fees and other related expenses and/or letter of credit or similar fees), (x) any severance, relocation, consolidation, closing, integration, facilities opening, business optimization and/or similar initiatives or programs, transition or restructuring costs, charges or expenses (whether or not classified as restructuring costs, charges or expenses on the consolidated financial statements of the Borrower), (y) any signing, stretch, retention or completion bonuses and (z) any costs associated with curtailments or modifications to pension and post-retirement employee benefit plans, in each case, to the extent not already deducted in calculating Consolidated Net Income.

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For the avoidance of doubt, any amounts received or paid in respect of purchase price adjustments in accordance with the Plumb Acquisition Agreement shall be disregarded in calculating Excess Cash Flow.

"Exchange Act": the Securities Exchange Act of 1934, as amended from time to time.

"Exchange Agreement": the Exchange Agreement, dated as of July 22, 2021, by and among Pubco, Topco and certain holders of Capital Stock in Topco from time to time party thereto, pursuant to which, among other things, such holders may exchange Capital Stock in Topco and Capital Stock in Pubco for Capital Stock in Pubco or, at the election of Pubco's board of directors and subject to certain conditions, cash, as the same may be amended, supplemented, waived or otherwise modified from time to time.

"Exchanging Term Lender": as defined in Subsection 2.1(c)(ii).

"Excluded Affiliate": as defined in Subsection 11.1(k).

"Excluded Assets": as defined in the Guarantee and Collateral Agreement.

"Excluded Contribution": Net Cash Proceeds, or the Fair Market Value (as of the date of contribution, issuance or sale) of property or assets, received by the Borrower as capital contributions to the Borrower after the Closing Date or from the issuance or sale (other than to a Restricted Subsidiary) of Capital Stock (other than Disqualified Stock or Designated Preferred Stock) of the Borrower, in each case to the extent designated as an Excluded Contribution pursuant to a certificate of a Responsible Officer of the Borrower and not previously included in the calculation set forth in Subsection 8.2(a)(3)(B)(x) for purposes of determining whether a Restricted Payment may be made.

"Excluded Information": as defined in Subsection 4.4(l)(i).

"Excluded Liability": any liability that is excluded under the Bail-In Legislation from the scope of any Bail-In Action including, without limitation, any liability excluded pursuant to Article 44 of the Bank Recovery and Resolution Directive.

"Excluded Subsidiary": at any date of determination, any Subsidiary of the Borrower:

(a) that is an Immaterial Subsidiary;

(b) that is prohibited by Requirement of Law or Contractual Obligations existing on the Closing Date (or, in the case of any newly acquired Subsidiary, in existence at the time of acquisition but not entered into in contemplation thereof) from Guaranteeing, or granting Liens to secure, the Term Loan Facility Obligations or if Guaranteeing, or granting Liens to secure, the Term Loan Facility Obligations would require governmental (including regulatory) consent, approval, license or authorization unless such consent, approval, license or authorization has been received;

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(c) with respect to which the Borrower and the Administrative Agent reasonably agree that the burden or cost or other consequences of providing a guarantee of the Term Loan Facility Obligations shall be excessive in view of the benefits to be obtained by the Lenders therefrom;

(d) with respect to which the provision of such guarantee of the Term Loan Facility Obligations would result in material adverse tax consequences to Management Holdings, Waterworks Holdings LP, Waterworks Holdings LLC, Pubco, New Blocker, Topco or one of its Subsidiaries (or, at the election of the Borrower in connection with an initial public offering or other restructuring of the Borrower, any Parent Entity or IPO Vehicle, the Borrower or any of its Subsidiaries) (as determined by the Borrower in good faith, which determination shall be conclusive, and the Borrower shall take commercially reasonable efforts to promptly notify the Administrative Agent of any such determination, but failure to so notify the Administrative Agent shall not invalidate such determination);

(e) that is a Subsidiary of a Foreign Subsidiary;

(f) that is a joint venture or Non-Wholly Owned Subsidiary;

(g) that is an Unrestricted Subsidiary;

(h) that is an Insurance Subsidiary;

(i) that is a Special Purpose Entity;

(j) that is a Subsidiary formed solely for the purpose of (x) becoming a Parent Entity, or (y) merging with the Borrower in connection with another Subsidiary becoming a Parent Entity, in each case to the extent such entity becomes a Parent Entity or is merged with the Borrower within 60 days of the formation thereof, or otherwise creating or forming a Parent Entity;

(k) that is a Subsidiary acquired by the Borrower or any Subsidiary and, at the time of the relevant acquisition, is an obligor in respect of Acquired Indebtedness to the extent (and solely for so long as) the documents or instruments governing the applicable Acquired Indebtedness prohibits such Subsidiary from granting a Guarantee of the Term Loan Facility Obligations;

(l) that is an Escrow Subsidiary; or

(m) that is a not-for-profit Subsidiary;

provided that, notwithstanding the foregoing, (x) no Subsidiary that becomes a Guarantor at the election of the Borrower pursuant to Subsection 7.9(b) shall be an Excluded Subsidiary until it is released from its Term Loan Facility Obligations pursuant to Subsection 7.9(b) and (y) any Domestic Subsidiary that Guarantees the payment of, or is a borrower or obligor in respect of, the Senior ABL Facility shall not be an Excluded Subsidiary.

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Subject to the proviso in the preceding sentence, any Subsidiary that fails to meet the foregoing requirements as of the last day of the period of the most recent four consecutive Fiscal Quarters for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available shall continue to be deemed an Excluded Subsidiary hereunder until the date that is 60 days following the date on which such annual or quarterly financial statements were required to be delivered pursuant to Subsection 7.1 with respect to such period.

"Excluded Taxes": (a) any Taxes measured by or imposed upon the net income of any Agent or Lender or its applicable lending office, or any branch or affiliate thereof, and all franchise Taxes, branch Taxes, Taxes on doing business or Taxes measured by or imposed upon the overall capital or net worth of any such Agent or Lender or its applicable lending office, or any branch or affiliate thereof, in each case imposed: (i) by the jurisdiction under the laws of which such Agent or Lender, applicable lending office, branch or affiliate is organized or is located, or in which its principal executive office is located, or any nation within which such jurisdiction is located or any political subdivision thereof; or (ii) by reason of any connection between the jurisdiction imposing such Tax and such Agent or Lender, applicable lending office, branch or affiliate other than a connection arising solely from such Agent or Lender having executed, delivered or performed its obligations under, or received payment under or enforced, this Agreement or any Notes, and (b) any Tax imposed by FATCA.

"Exempt Sale and Leaseback Transaction": any Sale and Leaseback Transaction (a) in which the sale or transfer of property occurs within 180 days of the acquisition of such property by the Borrower or any of its Subsidiaries or (b) that involves property with a book value (as of the date on which a legally binding commitment for such Sale and Leaseback Transaction was entered into) equal to the greater of \$58,000,000 and 3.50% of Consolidated Tangible Assets or less and is not part of a series of related Sale and Leaseback Transactions involving property with an aggregate value in excess of such amount and entered into with a single Person or group of Persons. For purposes of the foregoing, "Sale and Leaseback Transaction" means any arrangement with any Person providing for the leasing by the Borrower or any of its Subsidiaries of real or personal property that has been or is to be sold or transferred by the Borrower or any such Subsidiary to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of the Borrower or such Subsidiary.

"Existing Interest Rate": as defined in Subsection 2.8(d)(v).

"Existing Loans": as defined in Subsection 2.10(a).

"Existing Term Lenders": those Lenders holding an Original Initial Term Loan immediately prior to the First Amendment Effective Date.

"Existing Term Loans": as defined in Subsection 2.10(a).

"Existing Term Tranche": as defined in Subsection 2.10(a).

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"Existing Tranche": as defined in Subsection 2.10(a).

"Extended Loans": as defined in Subsection 2.10(a).

"Extended Term Loans": as defined in Subsection 2.10(a).

"Extended Term Tranche": as defined in Subsection 2.10(a).

"Extended Tranche": as defined in Subsection 2.10(a).

"Extending Lender": as defined in Subsection 2.10(b).

"Extension": as defined in Subsection 2.10(b).

"Extension Amendment": as defined in Subsection 2.10(c).

"Extension Date": as defined in Subsection 2.10(d).

"Extension Election": as defined in Subsection 2.10(b).

"Extension of Credit": as to any Lender, the making of an Original Initial Term Loan (excluding any Supplemental Term Loans being made under the Original Initial Term Loan Tranche), a Tranche B Term Loan (excluding any Supplemental Term Loans being made under the Tranche B Term Loan Tranche) or an Incremental Revolving Loan (other than the initial extension of credit thereunder).

"Extension Request": as defined in Subsection 2.10(a).

"Extension Request Deadline": as defined in Subsection 2.10(b).

"Extension Series": all Extended Loans that are established pursuant to the same Extension Amendment (or any subsequent Extension Amendment to the extent such Extension Amendment expressly provides that the Extended Loans provided for therein are intended to be part of any previously established Extension Series) and that provide for the same interest margins and amortization schedule.

"Facility": each of (a) the Original Initial Term Loan Commitments and the Extensions of Credit made thereunder (the "Initial Term Loan Facility"), (b) the Tranche B Term Loan Commitments and the Extensions of Credit made thereunder, (c) Incremental Term Loans of the same Tranche, (d) Incremental Revolving Commitments of the same Tranche and Extensions of Credit made thereunder, (e) any Extended Term Loans of the same Extension Series and (f) any Specified Refinancing Term Loans of the same Tranche (other than Tranche B Term Loans), and collectively the "Facilities."

"Fair Market Value": with respect to any asset or property, the fair market value of such asset or property as determined in good faith by the Borrower or the Board of Directors, whose determination shall be conclusive.

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"FATCA": Sections 1471 through 1474 of the Code as in effect on the Closing Date (and any amended or successor provisions that are substantively comparable), any regulations or other administrative authority promulgated thereunder, any agreements entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement entered into in connection with any of the foregoing and any fiscal or regulatory legislation, rules or practices adopted pursuant to any such intergovernmental agreement.

"Federal District Court": as defined in Subsection 11.13(a).

"Federal Funds Effective Rate": for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depository institutions (as determined in such manner as the NYFRB shall set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as the federal funds effective rate; provided that, if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero **Holder** for purposes of this Agreement.

"Fee Letter": the Fee Letter, dated as of June 4, 2017, as amended by the letter agreement, dated as of June 23, 2017, and the letter agreement, dated as of July 14, 2017, among Passthrough Holdings, Passthrough Mergersub, JPMorgan Chase Bank, N.A., Bank of America, N.A., Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Barclays Bank PLC, Credit Suisse AG, Credit Suisse Securities (USA) LLC, Deutsche Bank AG New York Branch, Deutsche Bank AG Cayman Islands Branch, Deutsche Bank Securities Inc., Royal Bank of Canada, Goldman Sachs Bank USA, Natixis, New York Branch and Nomura Corporate Funding Americas, LLC.

"**Financing Disposition**": any sale, transfer, conveyance or other disposition of, or creation or incurrence of any Lien on, property or assets (a) by the Borrower or any Subsidiary thereof to or in favor of any Special Purpose Entity, or by any Special Purpose Subsidiary, in each case in connection with the Incurrence by a Special Purpose Entity of Indebtedness, or obligations to make payments to the obligor on Indebtedness, which may be secured by a Lien in respect of such property or assets or (b) by the Borrower or any Subsidiary thereof to or in favor of any Special Purpose Entity that is not a Special Purpose Subsidiary.

"**Financing Lease**": any lease of property, real or personal, the obligations of the lessee in respect of which are required to be classified and accounted for as a financing lease (and not, for the avoidance of doubt, as an operating lease) on the balance sheet of such lessee for financial reporting purposes in accordance with GAAP prior to the adoption of Accounting Standards Update No. 2016-02, Leases (Topic 842) by the Financial Accounting Standards Board (and all calculations and deliverables under this Agreement (other than those made under Subsection 7.1) shall be made or delivered, as applicable, based on GAAP as in effect prior to such adoption). The Stated Maturity of any Financing Lease Obligation shall be the date of the last payment of rent or any other amount due under the related lease.

"**Financing Lease Obligation**": an obligation under any Financing Lease.

"**First Amendment**": the First Amendment, dated as of July 27, 2021, by and among the Borrower, the Lenders party thereto and the Administrative Agent.

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"**First Amendment Effective Date**": July 27, 2021.

"**First Lender Joinder Agreement Effective Date**": July 8, 2019.

"**First Lien Obligations**": (i) the Term Loan Facility Obligations and (ii) the Additional Obligations, Permitted Debt Exchange Notes, Rollover Indebtedness and Refinancing Indebtedness in respect of the Indebtedness described in this clause (ii) (other than any such Additional Obligations, Permitted Debt Exchange Notes, Rollover Indebtedness and Refinancing Indebtedness that are unsecured or secured by a Lien ranking junior to the Liens securing the Term Loan Facility Obligations) secured by a first priority security interest in the Term Loan Priority Collateral and a second priority security interest in the ABL Priority Collateral, collectively.

"**first priority**": with respect to any Lien purported to be created in any Collateral pursuant to any Security Document, that such Lien is the most senior Lien to which such Collateral is subject (subject to Liens permitted hereunder (including Permitted Liens) applicable to such Collateral which have priority over the respective Liens on such Collateral created pursuant to the relevant Security Document (or, in the case of Collateral constituting Pledged Stock (as defined in the Guarantee and Collateral Agreement), Permitted Liens of the type described in clauses (a), (k)(4) (other than subclause (z)), (l), (m), (n), (p)(1), (s) and, solely with respect to Permitted Liens described in the foregoing clauses, (o) of the definition thereof)). For purposes of this definition, a Lien purported to be created in any Collateral pursuant to any Security Document will be construed as the "most senior Lien" to which such Collateral is subject, notwithstanding the existence of a Permitted Lien on the Collateral that is *pari passu* with the Lien on such Collateral, so long as such Permitted Lien is subject to the terms of the ABL/Term Loan Intercreditor Agreement or an Other Intercreditor Agreement.

"**Fiscal Quarter**": for any fiscal year, each 13-week or 14-week fiscal period commencing on the day immediately following the last day of the previous Fiscal Quarter and ending on the Sunday closest to January 31, April 30, July 31 and October 31 (as applicable) of such fiscal year, or as otherwise designated by the Borrower in accordance with Subsection 7.12.

"**Fixed GAAP Date**": the First Amendment Effective Date; provided that at any time after the Closing Date, the Borrower may by written notice to the Administrative Agent elect to change the Fixed GAAP Date to be the date specified in such notice, and upon such notice, the Fixed GAAP Date shall be such date for all periods beginning on and after the date specified in such notice.

"**Fixed GAAP Terms**": (a) the definitions of the terms "Borrowing Base", "Capital Expenditures", "Consolidated Coverage Ratio", "Consolidated EBITDA", "Consolidated Interest Expense", "Consolidated Net Income", "Consolidated Secured Indebtedness", "Consolidated Secured Leverage Ratio", "Consolidated Tangible Assets", "Consolidated Total Indebtedness", "Consolidated Total Leverage Ratio", "Consolidated Working Capital", "Consolidation", "Domestic Borrowing Base", "Excess Cash Flow", "Financing Lease", "Foreign Borrowing Base", "Four Quarter Consolidated EBITDA", "Inventory" and "Receivable", (b) all defined terms in this Agreement to the extent used in or relating to any of the foregoing definitions, and all ratios and computations based on any of the foregoing definitions, and (c) any other term or provision of this Agreement or the Loan Documents that, at the Borrower's election, may be specified by the Borrower by written notice to the Administrative Agent from time to time.

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"**Foreign Borrowing Base**": the sum of (1) 90% of the book value of Inventory of the Borrower's Foreign Subsidiaries that are Restricted Subsidiaries, (2) 90% of the book value of Receivables of the Borrower's Foreign Subsidiaries that are Restricted Subsidiaries and (3) cash, Cash Equivalents and Temporary Cash Investments of the Borrower's Foreign Subsidiaries that are Restricted Subsidiaries (in each case, determined as of the end of the most recently ended fiscal month of the Borrower for which internal consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available, and, in the case of any determination relating to any Incurrence of Indebtedness, on a pro forma basis including (x) any property or assets of a type described above acquired since the end of such fiscal month and (y) any property or assets of a type described above being acquired in connection therewith).

"**Foreign Pension Plan**": a registered pension plan which is subject to applicable pension legislation other than ERISA or the Code, which a Restricted Subsidiary sponsors or maintains, or to which it makes or is obligated to make contributions.

"**Foreign Plan**": each Foreign Pension Plan, deferred compensation or other retirement or superannuation plan, fund, program, agreement, commitment or arrangement whether oral or written, funded or unfunded, sponsored, established, maintained or contributed to, or required to be contributed to, or with respect to which any liability is borne, outside the United States of America, by the Borrower or any of its Restricted Subsidiaries, other than any such plan, fund, program, agreement or arrangement sponsored by a Governmental Authority.

"**Foreign Subsidiary**": any Subsidiary of the Borrower (a) that is organized under the laws of any jurisdiction outside of the United States of America and any Subsidiary of such Foreign Subsidiary or (b) that is a Foreign Subsidiary Holdco. Any subsidiary of the Borrower which is organized and existing under the laws of Puerto Rico or any other territory of the United States of America shall be a Foreign Subsidiary.

"**Foreign Subsidiary Holdco**": any Restricted Subsidiary of the Borrower, so long as such Restricted Subsidiary has no material assets other than shares, equity interests, Capital Stock or other securities or indebtedness of one or more Foreign Subsidiaries (or Subsidiaries thereof), intellectual property relating to such Foreign Subsidiaries (or Subsidiaries thereof), and/or other assets (including cash, Cash Equivalents and Temporary Cash Investments) relating to an ownership interest in any such securities, indebtedness, intellectual property or Subsidiaries. Any Subsidiary which is a Foreign Subsidiary Holdco that fails to meet the foregoing requirements as of the last day of the period for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available shall continue to be deemed a "Foreign Subsidiary Holdco" hereunder until the date that is 60 days following the date on which such annual or quarterly financial statements were required to be delivered pursuant to Subsection 7.1 with respect to such period.

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"**Four Quarter Consolidated EBITDA**": as of any date of determination, the aggregate amount of Consolidated EBITDA for the period of the most recent four consecutive Fiscal Quarters of the Borrower ending prior to the date of such determination for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available (determined for any fiscal quarter (or portion thereof) ending prior to the Closing Date, on a pro forma basis to give effect to the Transactions as if they had occurred at the beginning of such four quarter period), provided that:

(1) if, since the beginning of such period, the Borrower or any Restricted Subsidiary shall have made a Sale (including any Sale occurring in connection with a transaction causing a calculation to be made hereunder), the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the company, business, group of assets or Subsidiary that are the subject of such Sale for such period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such period;

(2) if, since the beginning of such period, the Borrower or any Restricted Subsidiary (by merger, consolidation or otherwise) shall have made a Purchase (including any Purchase occurring in connection with a transaction causing a calculation to be made hereunder), Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto as if such Purchase occurred on the first day of such period; and

(3) if, since the beginning of such period, any Person became a Restricted Subsidiary or was merged or consolidated with or into the Borrower or any Restricted Subsidiary, and since the beginning of such period such Person shall have made any Sale or Purchase that would have required an adjustment pursuant to clause (1) or (2) above if made by the Borrower or a Restricted Subsidiary since the beginning of such period, Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto as if such Sale or Purchase occurred on the first day of such period.

For purposes of this definition, whenever pro forma effect is to be given to any Sale, Purchase or other transaction, or the amount of income or earnings relating thereto, the pro forma calculations in respect thereof (including, without limitation, in respect of anticipated cost savings or synergies relating to any such Sale, Purchase or other transaction) shall be as determined in good faith by the Chief Financial Officer or another Responsible Officer of the Borrower, which determination shall be conclusive; provided that with respect to cost savings or synergies relating to any Sale, Purchase or other transaction, the related actions are expected by the Borrower to be taken no later than 36 months after the date of determination.

"Funded Debt": all Indebtedness of the Borrower and the Restricted Subsidiaries for borrowed money that matures more than one year from the date of its creation or matures within one year from such date that is renewable or extendable, at the option of the Borrower or any Restricted Subsidiary, to a date that is more than one year from such date, or that arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including all amounts of such debt required to be paid or prepaid within one year from the date of its creation and, in the case of the Borrower, Indebtedness in respect of the Term Loans.

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"GAAP": generally accepted accounting principles in the United States of America as in effect on the Fixed GAAP Date (for purposes of the Fixed GAAP Terms) and as in effect from time to time (for all other purposes of this Agreement), including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as approved by a significant segment of the accounting profession, and subject to the following sentence. If at any time the SEC permits or requires U.S. domiciled companies subject to the reporting requirements of the Exchange Act to use IFRS in lieu of GAAP for financial reporting purposes, the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) may elect by written notice to the Administrative Agent to so use IFRS in lieu of GAAP and, upon any such notice, references herein to GAAP shall thereafter be construed to mean (a) for periods beginning on and after the date specified in such notice, IFRS as in effect on the date specified in such notice (for purposes of the Fixed GAAP Terms) and as in effect from time to time (for all other purposes of this Agreement) and (b) for prior periods, GAAP as defined in the first sentence of this definition. All ratios and computations based on GAAP contained in this Agreement shall be computed in conformity with GAAP.

"Governmental Authority": the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supranational bodies such as the European Union or the European Central Bank).

"Guarantee": any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person; provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"Guarantee and Collateral Agreement": the Term Loan Guarantee and Collateral Agreement delivered to the Collateral Agent as of the Closing Date, substantially in the form of Exhibit B hereto, as the same may be amended, supplemented, waived or otherwise modified from time to time.

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"Guarantee Obligation": as to any Person (the "guaranteeing person"), any obligation of (a) the guaranteeing person or (b) another Person (including any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counterindemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the "primary obligations") of any other third Person (the "primary obligor") in any manner, whether directly or indirectly, including any such obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such

Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by the Borrower in good faith, which determination shall be conclusive.

"Guarantor Subordinated Obligations": with respect to a Subsidiary Guarantor, any Indebtedness of such Subsidiary Guarantor (whether outstanding on the Closing Date or thereafter Incurred) that is expressly subordinated in right of payment to the obligations of such Subsidiary Guarantor under its Subsidiary Guaranty pursuant to a written agreement.

"Guarantors": the collective reference to each Holding Company (unless and until such Holding Company is released from all of its obligations pursuant to Subsection 9.16(h) of the Guarantee and Collateral Agreement) and each Subsidiary Guarantor; individually, a "Guarantor."

"Hedge Agreements": collectively, Interest Rate Agreements, Currency Agreements and Commodities Agreements.

"Hedging Obligations": as to any Person, the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodities Agreement.

"Holding Companies": Midco and Intermediate GP, collectively (and, in each case, any Successor Holding Company in respect thereof pursuant to and as defined in Subsection 9.16(e) of the Guarantee and Collateral Agreement), and each individually, a "Holding Company."

"Identified Participating Lenders": as defined in Subsection 4.4(l)(iii)(3).

"Identified Qualifying Lenders": as defined in Subsection 4.4(l)(iv)(3).

"IFRS": International Financial Reporting Standards and applicable accounting requirements set by the International Accounting Standards Board or any successor thereto (or the Financial Accounting Standards Board, the Accounting Principles Board of the American Institute of Certified Public Accountants, or any successor to either such board, or the SEC, as the case may be), as in effect from time to time.

"Immaterial Subsidiary": any Subsidiary of the Borrower designated as such in writing by the Borrower to the Administrative Agent that (i) (x) contributed 5.0% or less of Consolidated EBITDA for the period of the most recent four consecutive Fiscal Quarters ending prior to the date of such determination for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available, and (y) had consolidated assets representing 5.0% or less of Consolidated Tangible Assets as of the end of the most recently ended financial period for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available; and (ii) together with all other Immaterial Subsidiaries designated pursuant to the preceding clause (i), (x) contributed 7.5% or less of Consolidated EBITDA for the period of the most recent four consecutive Fiscal Quarters ending prior to the date of such determination for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available, and (y) had consolidated assets representing 7.5% or less of Consolidated Tangible Assets as of the end of the most recently ended financial period for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available. Any Subsidiary so designated as an Immaterial Subsidiary that fails to meet the foregoing requirements as of the last day of the period of the most recent four consecutive Fiscal Quarters for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available shall continue to be deemed an "Immaterial Subsidiary" hereunder until the date that is 60 days following the date on which such annual or quarterly financial statements were required to be delivered pursuant to Subsection 7.1(a) or 7.1(b) with respect to such period.

"Increase Supplement": as defined in Subsection 2.8(c).

"Increased Amount": as defined in Subsection 2.8(d)(v).

"Incremental Commitment Amendment": as defined in Subsection 2.8(d).

"Incremental Commitments": as defined in Subsection 2.8(a).

"Incremental Indebtedness": Indebtedness Incurred by the Borrower pursuant to and in accordance with Subsection 2.8.

"Incremental Lenders": as defined in Subsection 2.8(b).

"Incremental Letter of Credit Commitments": as defined in Subsection 2.8(a).

"Incremental Loans": as defined in Subsection 2.8(d).

"Incremental Revolving Commitments": as defined in Subsection 2.8(a).

"Incremental Revolving Loans": any loans drawn under an Incremental Revolving Commitment.

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"Incremental Term Loan": any Incremental Loan made pursuant to an Incremental Term Loan Commitment.

"Incremental Term Loan Commitments": as defined in Subsection 2.8(a).

"Incur": issue, assume, enter into any Guarantee of, incur or otherwise become liable for; and the terms "Incurs", "Incurred" and "Incurrence" shall have a correlative meaning; provided that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary. Accrual of interest, the accretion of accreted value, the payment of interest in the form of additional Indebtedness, and the payment of dividends on Capital Stock constituting Indebtedness in the form of additional shares of the same class of Capital Stock, will be deemed not to be an Incurrence of Indebtedness. Any Indebtedness issued at a discount (including Indebtedness on which interest is payable through the issuance of additional Indebtedness) shall be deemed Incurred at the time of original issuance of the Indebtedness at the initial accreted amount thereof.

"Indebtedness": with respect to any Person on any date of determination (without duplication):

(i) the principal of indebtedness of such Person for borrowed money;

(ii) the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(iii) all reimbursement obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments (the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit, bankers' acceptances or other instruments plus the aggregate amount of drawings thereunder that have not then been reimbursed) (except to the extent such reimbursement obligations relate to Trade Payables and such obligations are expected to be satisfied within 30 days of becoming due and payable);

(iv) the principal component of all obligations of such Person to pay the deferred and unpaid purchase price of property (except Trade Payables), which purchase price is due more than one year after the date of placing such property in final service or taking final delivery and title thereto;

(v) all Financing Lease Obligations of such Person;

(vi) the redemption, repayment or other repurchase amount of such Person with respect to any Disqualified Stock of such Person or (if such Person is a Subsidiary of the Borrower other than a Subsidiary Guarantor) any Preferred Stock of such Subsidiary, but excluding, in each case, any accrued dividends (the amount of such obligation to be equal at any time to the maximum fixed involuntary redemption, repayment or repurchase price for such Capital Stock, or if less (or if such Capital Stock has no such fixed price), to the involuntary redemption, repayment or repurchase price therefor calculated in accordance with the terms thereof as if then redeemed, repaid or repurchased, and if such price is based upon or measured by the fair market value of such Capital Stock, such fair market value shall be as determined in good faith by senior management of the Borrower, the Board of Directors of the Borrower or the Board of Directors of the issuer of such Capital Stock, in each case which determination shall be conclusive);

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(vii) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; provided that the amount of Indebtedness of such Person shall be the lesser of (A) the fair market value of such asset at such date of determination (as determined in good faith by the Borrower, which determination shall be conclusive) and (B) the amount of such Indebtedness of such other Persons;

(viii) all Guarantees by such Person of Indebtedness of other Persons, to the extent so Guaranteed by such Person; and

(ix) to the extent not otherwise included in this definition, net Hedging Obligations of such Person (the amount of any such obligation to be equal at any time to the termination value of such agreement or arrangement giving rise to such Hedging Obligation that would be payable by such Person at such time);

provided that Indebtedness shall not include (t) any obligations attributable to the exercise of dissenters' or appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto, (u) any liability for federal, state, local or

other taxes owed or owing to any government or other taxing authority, (v) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller, (w) obligations, to the extent such obligations constitute Indebtedness, under any agreement that has been defeased or satisfied and discharged pursuant to the terms of such agreement, (x) Contingent Obligations incurred in the ordinary course of business or consistent with past practice, (y) in connection with the purchase by the Borrower or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing (so long as (i) at the time of closing, the amount of any such payment is not determinable and (ii) to the extent such payment thereafter becomes fixed and determined, the amount is paid in a timely manner) or (z) for the avoidance of doubt, any obligations or liabilities which would be required to be classified and accounted for as an operating lease for financial reporting purposes in accordance with GAAP prior to the adoption of Accounting Standards Update No. 2016-02, Leases (Topic 842) by the Financial Accounting Standards Board.

The amount of Indebtedness of any Person at any date shall be determined as set forth above or as otherwise provided for in this Agreement, or otherwise shall equal the amount thereof that would appear as a liability on a balance sheet of such Person (excluding any notes thereto) prepared in accordance with GAAP.

"Indemnified Liabilities": as defined in Subsection 11.5(d).

"Indemnitee": as defined in Subsection 11.5(d).

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"Initial Agreement": as defined in Subsection 8.3(c).

"Initial Default": as defined in Subsection 1.2(c).

"Initial Lien": as defined in Subsection 8.6.

"Initial Term Loan": collectively, the Original Initial Term Loans and the Tranche B Term Loans.

"Initial Term Loan Commitment": as to any Lender, the Original Initial Term Loan Commitment (if any) and the Tranche B Term Loan Commitment (if any).

"Initial Term Loan Facility": as defined in the definition of "Facility."

"Initial Term Loan Maturity Date": (a) prior to the First Amendment Effective Date, the Original Initial Term Loan Maturity Date and (b) from and after the First Amendment Effective Date, the Tranche B Term Loan Maturity Date.

"Insolvency": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Installment Date": as defined in Subsection 2.2(b)(i).

"Insurance Subsidiary": any Subsidiary of the Borrower (i) that is a Captive Insurance Subsidiary or (ii) whose primary purpose and activity is the assumption of self-insurance risks and activities reasonably related thereto.

"Intellectual Property": as defined in Subsection 5.9.

"Intercreditor Agreement Supplement": as defined in Subsection 10.8(a).

"Interest Payment Date": (a) as to any ABR Loan, the last Business Day of each Fiscal Quarter to occur while such Loan is outstanding, and the final maturity date of such Loan, (b) as to any Eurodollar Term SOFR Rate Loan having an Interest Period of three months or less, the last day of such Interest Period and (c) as to any Eurodollar Term SOFR Rate Loan having an Interest Period longer than three months, (i) each day which is three months, or a whole multiple thereof, after the first day of such Interest Period and (ii) the last day of such Interest Period.

"Interest Period": with respect to any Eurodollar Term SOFR Rate Loan:

(a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurodollar Term SOFR Rate Loan and ending (x) one, three or six months (or if agreed to by each affected Lender, 12 months or a shorter period) thereafter, (y) on the last day of the first fiscal quarter ending after the Closing Date or (z) on the last day of the first or

the first full fiscal quarter ending after the First Amendment Effective Date, as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and

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(b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurodollar Term SOFR Rate Loan and ending one, ~~two~~, three or six months (or if agreed to by each affected Lender, 12 months or a shorter period) thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not less than three Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to the last day of the then current Interest Period with respect thereto; provided that all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period that would otherwise extend beyond the applicable Maturity Date shall (for all purposes other than Subsection 4.12) end on the applicable Maturity Date; and

(iii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month.

"Interest Rate Agreement": with respect to any Person, any interest rate protection agreement, future agreement, option agreement, swap agreement, cap agreement, collar agreement, hedge agreement or other similar agreement or arrangement (including derivative agreements or arrangements), as to which such Person is a party or a beneficiary.

"Intermediate GP": Core & Main Intermediate GP, LLC, a Delaware limited liability company, and any successor in interest thereto.

~~"Interpolated Screen Rate": in relation to the LIBOR Rate for any Loan, the rate which results from interpolating on a linear basis between: (a) the rate appearing on the ICE Benchmark Administration page (or on any successor or substitute page of such service) for the longest period (for which that rate is available) which is less than the Interest Period and (b) the rate appearing on the ICE Benchmark Administration page (or on any successor or substitute page of such service) for the shortest period (for which that rate is available) which exceeds the Interest Period, each as of approximately 11:00 A.M., London time, two Business Days prior to the commencement of such Interest Period;~~

"Inventory": goods held for sale, lease or use by a Person in the ordinary course of business, net of any reserve for goods that have been segregated by such Person to be returned to the applicable vendor for credit, as determined in accordance with GAAP.

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"Investment": in any Person by any other Person, any direct or indirect advance, loan or other extension of credit (other than to customers, dealers, distributors, licensees, franchisees, suppliers, consultants, directors, officers or employees of any Person in the ordinary course of business) or capital contribution (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others) to, or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such Person. For purposes of the definition of "Unrestricted Subsidiary" and Subsection 8.2 only, (i) "Investment" shall include the portion (proportionate to the Borrower's equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Borrower at the time that such Subsidiary is designated an Unrestricted Subsidiary, provided that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Borrower shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary in an amount (if positive) equal to (x) the Borrower's "Investment" in such Subsidiary at the time of such redesignation less (y) the portion (proportionate to the Borrower's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation, (ii) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value (as determined in good faith by the Borrower, which determination shall be conclusive) at the time of such transfer and (iii) for purposes of Subsection 8.2(a)(3)(C), the amount resulting from the redesignation of any Unrestricted Subsidiary as a Restricted Subsidiary shall be the Fair Market Value of the Investment in such Unrestricted Subsidiary at the time of such redesignation. Guarantees shall not be deemed to be Investments. The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Borrower's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment; provided that to the extent that the amount of Restricted Payments outstanding at any time pursuant to Subsection 8.2(a) is so reduced by any portion of any such amount or value that would otherwise be included in the

calculation of Consolidated Net Income, such portion of such amount or value shall not be so included for purposes of calculating the amount of Restricted Payments that may be made pursuant to Subsection 8.2(a).

"Investment Company Act": the Investment Company Act of 1940, as amended from time to time.

"Investment Grade Rating": a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or any equivalent rating by any other nationally recognized rating agency.

"Investment Grade Securities": (i) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents); (ii) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Borrower and its Subsidiaries; (iii) investments in any fund that invests exclusively in investments of the type described in clauses (i) and (ii) above, which fund may also hold cash pending investment or distribution; and (iv) corresponding instruments in countries other than the United States customarily utilized for high quality investments.

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"IPO Vehicle": (a) Pubco and/or any other entity formed or designated for the purpose of facilitating an issuance or sale of common equity interests (which represent an indirect economic and/or voting interest in the Borrower or a Parent Entity and through which investors shall indirectly hold their equity interests in the Borrower or a Parent Entity) in an underwritten public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act (whether alone or in connection with a secondary public offering) and such equity interests are listed on a nationally-recognized stock exchange in the U.S. and (b) New Blocker, the Pubco Merger Subs and/or any Wholly Owned Subsidiary of the entity referred to in clause (a) above other than a Parent Entity or any Subsidiary of a Parent Entity (including the Pubco Merger Subs) (unless the entity in clause (a) is a Parent Entity, in which case other than the Borrower or any Subsidiary thereof).

"Investors": as defined in the definition of "Equity Contribution".

"ISDA CDS Definitions": as defined in Subsection 11.1(k).

"Judgment Conversion Date": as defined in Subsection 11.8(a).

"Judgment Currency": as defined in Subsection 11.8(a).

"Junior Capital": collectively, any Indebtedness of any Parent Entity or IPO Vehicle or the Borrower that (i) is not secured by any asset of the Borrower or any Restricted Subsidiary, (ii) is expressly subordinated to the prior payment in full of the Term Loan Facility Obligations hereunder on terms consistent with those for senior subordinated high yield debt securities issued by U.S. companies sponsored by CD&R (as determined in good faith by the Borrower, which determination shall be conclusive), (iii) has a final maturity date that is not earlier than, and provides for no scheduled payments of principal prior to, the date that is 91 days after the Initial Term Loan Maturity Date (other than through conversion or exchange of any such Indebtedness for Capital Stock (other than Disqualified Stock) of the Borrower, Capital Stock of any Parent Entity or IPO Vehicle or any other Junior Capital), (iv) has no mandatory redemption or prepayment obligations other than (a) obligations that are subject to the prior payment in full in cash of the Term Loans and (b) pursuant to an escrow or similar arrangement with respect to the proceeds of such Junior Capital and (v) does not require the payment of cash interest until the date that is 91 days after the Initial Term Loan Maturity Date.

"Junior Debt": any Subordinated Obligations and Guarantor Subordinated Obligations.

"Junior Lien Intercreditor Agreement": an intercreditor agreement substantially in the form of Exhibit J-2 to be entered into as required by the terms hereof, as amended, supplemented, waived or otherwise modified from time to time.

"LCT Election": as defined in Subsection 1.2(j).

"LCT Test Date": as defined in Subsection 1.2(i).

"Lead Arrangers": JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Barclays Bank PLC, Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Royal Bank of Canada, Goldman Sachs Bank USA, Natixis, New York Branch and Nomura Securities International, Inc. as Joint Lead Arrangers.

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"Lender Default": (a) the refusal (which may be given verbally or in writing and has not been retracted) or failure of any Lender (including any Agent in its capacity as Lender) to make available its portion of any incurrence of Loans, which refusal or failure is not cured

within two Business Days after the date of such refusal or failure, (b) the failure of any Lender (including any Agent in its capacity as Lender) to pay over to 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 the subject of a good faith dispute, (c) a Lender (including any Agent in its capacity as Lender) has notified the Borrower or the Administrative Agent that it does not intend to comply with its funding obligations hereunder, (d) a Lender (including any Agent in its capacity as Lender) has failed, within 10 Business Days after request by the Administrative Agent, to confirm that it will comply with its funding obligations hereunder (provided that such Lender Default pursuant to this clause (d) shall cease to be a Lender Default upon receipt of such confirmation by the Administrative Agent) or (e) an Agent or a Lender has admitted in writing that it is insolvent or such Agent or Lender becomes subject to a Lender-Related Distress Event or Bail-In Action.

"Lender Joinder Agreement": as defined in Subsection 2.8(c).

"Lender-Related Distress Event": with respect to any Agent or Lender (each, a "Distressed Person"), a voluntary or involuntary case with respect to such Distressed Person under any debt relief law, or a custodian, conservator, receiver or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person's assets, or such Distressed Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Distressed Person to be, insolvent or bankrupt; provided that a Lender-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Agent or Lender or any person that directly or indirectly controls such Agent or Lender by a Governmental Authority or an instrumentality thereof; provided, further, that the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official by a supervisory authority or regulator with respect to an Agent or Lender or any other person that directly or indirectly controls such Agent or Lender under the Dutch Financial Supervision Act 2007 (as amended from time to time and including any successor legislation) shall not be deemed to be a "Lender-Related Distress Event" with respect to such Agent or Lender or any person that directly or indirectly controls such Agent or Lender.

"Lenders": the several lenders from time to time parties to this Agreement together with, in the case of any such lender that is a bank or financial institution, any affiliate of any such bank or financial institution through which such bank or financial institution elects, by notice to the Administrative Agent and the Borrower, to make any Loans available to the Borrower, provided that for all purposes of voting or consenting with respect to (a) any amendment, supplement or modification of or to any Loan Document, (b) any waiver of any of the requirements of any Loan Document or any Default or Event of Default and its consequences or (c) any other matter as to which a Lender may vote or consent pursuant to Subsection 11.1, the bank or financial institution making such election shall be deemed the "Lender" rather than such affiliate, which shall not be entitled to so vote or consent.

"Letter of Credit Facility": any facility, in each case with one or more banks or other lenders, institutions or financing providers providing for letters of credit or bank guarantees, in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with any of the foregoing.

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"Leverage Excess Proceeds": as defined in Subsection 8.4(b).

"Liabilities": collectively, any and all claims, obligations, liabilities, causes of action, actions, suits, proceedings, investigations, judgments, decrees, losses, damages, fees, costs and expenses (including interest, penalties and fees and disbursements of attorneys, accountants, investment bankers and other professional advisors), in each case whether incurred, arising or existing with respect to third parties or otherwise at any time or from time to time.

~~"LIBOR Rate": with respect to each day during each Interest Period pertaining to a Eurodollar Loan, the rate per annum determined by the Administrative Agent to be:~~

~~(a) the London Interbank Offered Rate for deposits in Dollars for a duration equal to or comparable to the duration of such Interest Period which appear on the relevant Reuters Monitor Money Rates Service page for the applicable currency (being currently the page designated as "LIBO") (or such other commercially available source providing quotations of the London Interbank Offered Rates for deposits in Dollars as may be designated by the Administrative Agent from time to time and as consented to by the Borrower) at or about 11:00 A.M. (London time) two London Business Days before the first day of such Interest Period; or~~

~~(b) if no such page (or other source) is available, the Interpolated Screen Rate; or~~

~~(c) if no such page (or other source) is available and it is not possible to calculate an Interpolated Screen Rate for the applicable Loan, (x) the arithmetic mean of the rates per annum as supplied to the Administrative Agent at its request quoted by the Reference Banks to leading banks in the London interbank market two London Business Days before the first day of such Interest Period for deposits in Dollars of a duration equal to the duration of such Interest Period; provided that any Reference Bank that has failed to provide a quote in accordance with Subsection 4.6(c) shall be disregarded for purposes of determining the mean or (y) if~~

consented to by the Borrower, the average of the rates per annum quoted by the Administrative Agent to leading banks in the London interbank market at or about 11:00 A.M. (London time) two London Business Days before the first day of such Interest Period for deposits in Dollars of a duration equal to the duration of such Interest Period.

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If at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the circumstances set forth in Subsection 4.7 have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in Subsection 4.7 have not arisen but the supervisor for the administrator of the London Interbank Offered Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the London Interbank Offered Rate shall no longer be used for determining interest rates for loans in Dollars or the applicable Designated Foreign Currency, then, at the Borrower's request, the Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to the LIBOR Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable (including amendments to the Applicable Margin to preserve the terms of the economic transactions initially agreed to among the Borrower, on the one hand, and the Lenders on the other hand (including with respect to impact of any "floors")). Notwithstanding anything to the contrary herein, such amendment shall become effective without any further action or consent of any other party to this Agreement.

"Lien": any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"Limited Condition Transaction": (x) any acquisition, including by way of merger, amalgamation, consolidation or other business combination or the acquisition of Capital Stock or otherwise, of any assets, business or Person, or any other investment by one or more of the Borrower and its Subsidiaries permitted by this Agreement, in each case, whose consummation is not conditioned on the availability of, or on obtaining, third party financing or (y) any redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock requiring notice in advance of such redemption, repurchase, defeasance, satisfaction and discharge or repayment.

"Loan": each Initial Term Loan, Incremental Term Loan, Extended Term Loan, Specified Refinancing Term Loan or Incremental Revolving Loan, as the context shall require; collectively, the "Loans."

"Loan Documents": this Agreement, any Notes, the Guarantee and Collateral Agreement, the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement (on and after the execution thereof), each Other Intercreditor Agreement (on and after the execution thereof) and any other Security Documents, each as amended, supplemented, waived or otherwise modified from time to time.

"Loan Parties": each Holding Company (including, in each case, any Successor Holding Company in respect thereof pursuant to and as defined in Subsection 9.16(e) of the Guarantee and Collateral Agreement) (unless and until such Holding Company is released from all of its obligations pursuant to Subsection 9.16(h) of the Guarantee and Collateral Agreement), the Borrower and the Subsidiary Guarantors; each individually, a "Loan Party."

"Management Advances": (1) loans or advances made to directors, management members, officers, employees or consultants of any Parent Entity, IPO Vehicle, the Borrower or any Restricted Subsidiary (x) in respect of travel, entertainment or moving related expenses incurred in the ordinary course of business, (y) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility, or (z) in the ordinary course of business and (in the case of this clause (z)) not exceeding the greater of \$30,000,000 and 2.00% of Consolidated Tangible Assets in the aggregate outstanding at any time, (2) promissory notes of Management Investors acquired in connection with the issuance of Management Stock to such Management Investors, (3) Management Guarantees, or (4) other Guarantees of borrowings by Management Investors in connection with the purchase of Management Stock, which Guarantees are permitted under Subsection 8.1.

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"Management Guarantees": guarantees (x) of up to an aggregate principal amount outstanding at any time of the greater of \$60,000,000 and 4.00% of Consolidated Tangible Assets of borrowings by Management Investors in connection with their purchase of Management Stock or (y) made on behalf of, or in respect of loans or advances made to, directors, officers, employees, management members or consultants of any Parent Entity, IPO Vehicle, the Borrower or any Restricted Subsidiary (1) in respect of travel, entertainment and moving related expenses incurred in the ordinary course of business, or (2) in the ordinary course of business and (in the case of this

clause (2)) not exceeding the greater of \$20,000,000 and 1.50% of Consolidated Tangible Assets in the aggregate outstanding at any time.

"Management Holdings": Core & Main Management Feeder, LLC (formerly known as CD&R Waterworks Management Feeder, LLC), a Delaware limited liability company, and any successor in interest thereto.

"Management Indebtedness": Indebtedness Incurred to (a) any Person other than a Management Investor of up to an aggregate principal amount outstanding at any time of the greater of \$50,000,000 and 3.50% of Consolidated Tangible Assets, and (b) any Management Investor, in each case, to finance the repurchase or other acquisition of Management Stock from any Management Investor, which repurchase or other acquisition of Capital Stock is permitted by Subsection 8.2.

"Management Investors": the current or former management members, officers, directors, employees and other members of the management of any Parent Entity, IPO Vehicle, the Borrower or any of their respective Subsidiaries, or family members or relatives of any of the foregoing (provided that, solely for purposes of the definition of "Permitted Holders", such relatives shall include only those Persons who are or become Management Investors in connection with estate planning for or inheritance from other Management Investors, as determined in good faith by the Borrower, which determination shall be conclusive), or trusts, partnerships or limited liability companies for the benefit of any of the foregoing, or any of their heirs, executors, successors and legal representatives, who at any date beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Borrower, any of its Subsidiaries or any Parent Entity or IPO Vehicle (including any options, warrants or other rights in respect thereof).

"Management Stock": Capital Stock of the Borrower, any Restricted Subsidiary or any Parent Entity or IPO Vehicle (including any options, warrants or other rights in respect thereof) held by any of the Management Investors.

"Margin Stock": as defined in Regulation U of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

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"Market Capitalization": an amount equal to (i) the total number of issued and outstanding shares of capital stock of the Borrower, any Parent Entity or IPO Vehicle (including all shares of Capital Stock of such Parent Entity or IPO Vehicle reserved for issuance upon conversion or exchange of Capital Stock of another Parent Entity or IPO Vehicle outstanding on such date) on the date of declaration of the relevant dividend or making of any other Restricted Payment, as applicable, multiplied by (ii) the arithmetic mean of the closing prices per share of such capital stock on the New York Stock Exchange (or, if the primary listing of such capital stock is on another exchange, on such other exchange) for the 30 consecutive trading days immediately preceding such date.

"Material Adverse Effect": (x) on, or as of, the Closing Date, a Closing Date Material Adverse Effect, or (y) after the Closing Date, a material adverse effect on (a) the business, operations, property or condition (financial or otherwise) of the Borrower and its Restricted Subsidiaries taken as a whole (other than resulting from any event, development or circumstance related to the COVID-19 pandemic that was disclosed to the Lenders on or prior to the First Amendment Effective Date), (b) the validity or enforceability as to the Loan Parties (taken as a whole) party thereto of the Loan Documents taken as a whole or (c) the rights or remedies of the Agents and the Lenders under the Loan Documents, in each case, taken as a whole.

"Material Subsidiaries": Restricted Subsidiaries of the Borrower constituting, individually or in the aggregate (as if such Restricted Subsidiaries constituted a single Subsidiary), a "significant subsidiary" in accordance with Rule 1-02 under Regulation S-X.

"Materials of Environmental Concern": any pollutants, contaminants, hazardous or toxic substances or materials or wastes defined, listed, or regulated as such in or under, or which may give rise to liability under, any applicable Environmental Law, including gasoline, petroleum (including crude oil or any fraction thereof), petroleum products or by-products, asbestos and polychlorinated biphenyls.

"Maturity Date": the Initial Term Loan Maturity Date, for any Extended Tranche the "Maturity Date" set forth in the applicable Extension Amendment, for any Incremental Commitments the "Maturity Date" set forth in the applicable Incremental Commitment Amendment and for any Specified Refinancing Tranche the "Maturity Date" set forth in the applicable Specified Refinancing Amendment, in each case as the context may require.

"Maximum Incremental Facilities Amount": at any date of determination, the sum of (i) an amount equal to the greater of (1) \$400,000,000 and (2) Four Quarter Consolidated EBITDA (amounts Incurred pursuant to this clause (i), the "Cash Capped Incremental Facility") plus (ii) an unlimited amount if, after giving effect to the Incurrence of such amount (or, at the Borrower's option, on the date of the initial commitment to lend such additional amount after giving pro forma effect to the Incurrence of the entire committed amount of such additional amount), either (x) the Consolidated Secured Leverage Ratio shall not exceed 3.75 to 1.00 or (y) in the case of

Indebtedness being Incurred to finance or refinance, or otherwise Incurred in connection with, any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary, or any other Investment, the Consolidated Secured Leverage Ratio of the Borrower would equal or be less than the Consolidated Secured Leverage Ratio of the Borrower immediately prior to giving effect thereto (in each case under this clause (ii), as set forth in a certificate of a Responsible Officer of the Borrower delivered to the Administrative Agent at the time of such Incurrence, together with calculations demonstrating compliance with such ratio (amounts Incurred pursuant to this clause (ii), the "Ratio Incremental Facility") (it being understood that (A) if pro forma effect is given to the entire committed amount of any such additional amount on the date of initial borrowing of such Indebtedness or entry into the definitive agreement providing the commitment to fund such Indebtedness, such committed amount may thereafter be borrowed and reborrowed in whole or in part, from time to time, without further compliance with this clause (ii) and (B) for purposes of so calculating the Consolidated Secured Leverage Ratio under this clause (ii), any additional amount Incurred pursuant to this clause (ii) shall be treated as if such amount is Consolidated Secured Indebtedness, regardless of whether such amount is actually secured or is secured by Liens ranking junior to the Liens securing the Term Loan Facility Obligations)); provided that, at the Borrower's option, capacity under the Ratio Incremental Facility shall be deemed to be used before capacity under the Cash Capped Incremental Facility.

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"MFN Threshold Amount": the greater of (i) \$200,000,000 and (ii) 50.0% of Four Quarter Consolidated EBITDA.

"Midco": Core & Main Midco, LLC, a Delaware limited liability company, and any successor in interest thereto.

"Minimum Exchange Tender Condition": as defined in Subsection 2.9(b).

"Minimum Extension Condition": as defined in Subsection 2.10(g).

"Moody's": Moody's Investors Service, Inc., and its successors.

"Most Recent Four Quarter Period": the four Fiscal Quarter period of the Borrower ending on the last day of the most recently completed fiscal year or Fiscal Quarter for which financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) have been (or have been required to be) delivered under Subsection 7.1(a) or 7.1(b).

"Multiemployer Plan": a Plan which is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

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"Net Available Cash": from an Asset Disposition or Recovery Event, an amount equal to the cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or Recovery Event or received in any other non-cash form) therefrom, in each case net of (i) all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all Tax Distributions made or to be made and (without duplication) all federal, state, provincial, foreign and local taxes required to be paid or to be accrued as a liability under GAAP, in each case, as a consequence of, or in respect of, such Asset Disposition or Recovery Event (including as a consequence of any transfer of funds in connection with the application thereof in accordance with Subsection 8.4), (ii) all payments made, and all installment payments required to be made, on any Indebtedness (other than Indebtedness secured by Liens on the Collateral that are required by the express terms of this Agreement to be *pari passu* with or junior to the Liens on the Collateral securing the Term Loan Facility Obligations) (x) that is secured by any assets subject to such Asset Disposition or involved in such Recovery Event, in accordance with the terms of any Lien upon such assets, or (y) that must by its terms, or in order to obtain a necessary consent to such Asset Disposition, or by applicable law, be repaid out of the proceeds from such Asset Disposition or Recovery Event, including but not limited to any payments required to be made to increase borrowing availability under any revolving credit facility, (iii) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Disposition or Recovery Event, or to any other Person (other than the Borrower or a Restricted Subsidiary) owning a beneficial interest in the assets disposed of in such Asset Disposition or subject to such Recovery Event, (iv) any liabilities or obligations associated with the assets disposed of in such Asset Disposition or involved in such Recovery Event and retained, indemnified or insured by the Borrower or any Restricted Subsidiary after such Asset Disposition or Recovery Event, including pension and other post-employment benefit liabilities, liabilities related to environmental matters, and liabilities relating to any indemnification obligations associated with such Asset Disposition or Recovery Event, (v) in the case of an Asset Disposition, the amount of any purchase price or similar adjustment (x) claimed by any Person to be owed by the Borrower or any Restricted Subsidiary, until such time as such claim shall have been settled or otherwise finally resolved, or (y) paid or payable by the Borrower or any Restricted Subsidiary, in each

case in respect of such Asset Disposition and (vi) in the case of any Recovery Event, any amount thereof that constitutes or represents reimbursement or compensation for any amount previously paid or to be paid by the Borrower or any of its Subsidiaries.

"Net Available Cash Amount": as defined in Subsection 8.4(a)(iii).

"Net Cash Proceeds": with respect to any issuance or sale of any securities of, or the Incurrence of Indebtedness by, the Borrower or any Subsidiary, or any capital contribution to the Borrower or any Subsidiary, the cash proceeds of such issuance, sale, Incurrence or contribution received by the Borrower or such Subsidiary net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance, sale, contribution or Incurrence and net of Tax Distributions made or to be made and all taxes paid or payable as a result, or in respect, thereof.

"Net Short Lender": as defined in Subsection 11.1(k).

"Net Short Lender Default Breach": as defined in Subsection 11.1(k).

"Net Short Lender Verification Covenant": as defined in Subsection 11.1(k).

"New Blocker": CD&R WW, LLC, a Delaware limited liability company, and any successor in interest thereto.

"New Blocker Holdings": CD&R WW Holdings, LLC, a Delaware limited liability company, and any successor in interest thereto.

"New Tranche B Term Lenders": as defined in Subsection 2.1(c)(i).

"New Tranche B Term Loan": as defined in Subsection 2.1(c)(i).

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"New York Courts": as defined in Subsection 11.13(a).

"New York Supreme Court": as defined in Subsection 11.13(a).

"Non-Consenting Lender": as defined in Subsection 11.1(g).

"Non-Defaulting Lender": any Lender other than a Defaulting Lender.

"Non-Exchanging Term Lender": as defined in Subsection 2.1(c)(ii).

"Non-Excluded Taxes": all Taxes other than Excluded Taxes.

"Non-Extending Lender": as defined in Subsection 2.10(e).

"Non-Extension Notice Date": as defined in Subsection 2.6(j).

"Non-Wholly Owned Subsidiary": each Subsidiary that is not a Wholly Owned Subsidiary.

"Note": as defined in Subsection 2.2(a).

"NYFRB": the Federal Reserve Bank of New York.

"NYFRB Rate": for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term "NYFRB Rate" means the rate for a federal funds transaction quoted at 11:00 A.M. (New York City time) on such day received by the Administrative Agent from a Federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Obligation Currency": as defined in Subsection 11.8(a).

"Obligations": with respect to any Indebtedness, any principal, premium (if any), interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Borrower or any Restricted Subsidiary whether or not a claim for post-filing interest is allowed in such proceedings), fees, charges, expenses, reimbursement obligations, Guarantees of such

indebtedness (or of Obligations in respect thereof), other monetary obligations of any nature and all other amounts payable thereunder or in respect thereof.

"OFAC": as defined in clause (c) of the first sentence of Subsection 5.21.

"Offered Amount": as defined in Subsection 4.4(l)(iv)(1).

"Offered Discount": as defined in Subsection 4.4(l)(iv)(1).

"OID": as defined in Subsection 2.8(d).

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"Organizational Documents": with respect to any Person, (a) the articles of incorporation, certificate of incorporation or certificate of formation (or the equivalent organizational documents) of such Person and (b) the bylaws, operating agreement or partnership agreement (or the equivalent governing documents) of such Person.

"Original Initial Term Loan": as defined in Subsection 2.1(a).

"Original Initial Term Loan Commitment": as to any Lender, its obligation to make Original Initial Term Loans to the Borrower pursuant to Subsection 2.1(a) in an aggregate amount not to exceed at any one time outstanding the amount set forth opposite such Lender's name in Schedule A under the heading "Original Initial Term Loan Commitment"; collectively, as to all the Lenders, the "Original Initial Term Loan Commitments". The original aggregate amount of the Original Initial Term Loan Commitments on the Closing Date is \$1,075,000,000.

"Original Initial Term Loan Maturity Date": August 1, 2024.

"Other Intercreditor Agreement": an intercreditor agreement in form and substance reasonably satisfactory to the Borrower and the Collateral Agent.

"Other Representatives": JPMorgan Chase Bank, N.A., in its capacity as Joint Lead Arranger and Joint Bookrunner, Merrill Lynch, Pierce, Fenner & Smith Incorporated, in its capacity as Joint Lead Arranger and Joint Bookrunner, Citigroup Global Markets Inc., in its capacity as Joint Lead Arranger and Joint Bookrunner, Barclays Bank PLC, in its capacity as Joint Lead Arranger and Joint Bookrunner, Credit Suisse Securities (USA) LLC, in its capacity as Joint Lead Arranger and Joint Bookrunner, Deutsche Bank Securities Inc., in its capacity as Joint Lead Arranger and Joint Bookrunner, Royal Bank of Canada, in its capacity as Joint Lead Arranger and Joint Bookrunner, Goldman Sachs Bank USA, in its capacity as Joint Lead Arranger and Joint Bookrunner, Natixis, New York Branch, in its capacity as Joint Lead Arranger and Joint Bookrunner, and Nomura Securities International, Inc., in its capacity as Joint Lead Arranger and Joint Bookrunner.

"Outstanding Amount": with respect to the Loans on any date, the principal amount thereof after giving effect to any borrowings and prepayments or repayments thereof occurring on such date.

"Overnight Bank Funding Rate": for any day, the rate comprised of both overnight federal funds and overnight eurodollar borrowings by U.S.-managed banking offices of depository institutions (as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate (from and after such date as the NYFRB shall commence to publish such composite rate).

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"Parent Entity": any of Management Holdings, Waterworks Holdings LP, Waterworks Holdings LLC, Pubco, New Blocker, Topco, Core & Main Buyer, Core & Main Connector, the Holding Companies (including, in each case, any Successor Holding Company pursuant to and as defined in Subsection 9.16(e) of the Guarantee and Collateral Agreement), any Other Parent and any other Person that is a Subsidiary of Management Holdings, Waterworks Holdings LP, Waterworks Holdings LLC, Pubco, New Blocker, Topco, Core & Main Buyer, Core & Main Connector, any Holding Company (including, in each case, any Successor Holding Company pursuant to and as defined in Subsection 9.16(e) of the Guarantee and Collateral Agreement) or any Other Parent and of which the Borrower is a Subsidiary, in each case, solely for so long as the Borrower remains a Subsidiary of such Person. As used herein, "Other Parent" means a Person (which may be an IPO Vehicle) of which the Borrower is or becomes a Subsidiary that is designated by the Borrower as an "Other Parent" after the Closing Date; provided that either (x) immediately after the Borrower first becomes a Subsidiary of such Person, more than 50.0% of the Voting Stock of such Person shall be held by one or more Persons that held more than 50.0% of the Voting Stock of the Borrower or a Parent Entity of the Borrower immediately prior to the Borrower first becoming such Subsidiary, (y) such Person shall be deemed not to be an Other Parent for the purpose of determining whether a Change of Control shall have occurred by reason of the

Borrower first becoming a Subsidiary of such Person, or (z) in the case of an IPO Vehicle, no Change of Control shall have occurred in treating such IPO Vehicle as if it were a Parent Entity both before and after giving effect to the Borrower becoming a Subsidiary of such IPO Vehicle. The Borrower shall not in any event be deemed to be a "Parent Entity."

"Parent Expenses": (i) costs (including all professional fees and expenses) incurred by any Parent Entity or IPO Vehicle in connection with maintaining its existence or in connection with its reporting obligations under, or in connection with compliance with, applicable laws or applicable rules of any governmental, regulatory or self-regulatory body or stock exchange, this Agreement or any other agreement or instrument relating to Indebtedness of the Borrower or any Restricted Subsidiary, including in respect of any reports filed with respect to the Securities Act, the Exchange Act or the respective rules and regulations promulgated thereunder, (ii) expenses incurred by any Parent Entity or IPO Vehicle in connection with the acquisition, development, maintenance, ownership, prosecution, protection and defense of its intellectual property and associated rights (including but not limited to trademarks, service marks, trade names, trade dress, patents, copyrights and similar rights, including registrations and registration or renewal applications in respect thereof; inventions, processes, designs, formulae, trade secrets, know-how, confidential information, computer software, data and documentation, and any other intellectual property rights; and licenses of any of the foregoing) or assertions of infringement, misappropriation, dilution or other violation of third-party intellectual property or associated rights, to the extent such intellectual property and associated rights or assertions relate to the business or businesses of the Borrower or any Subsidiary thereof, (iii) indemnification obligations of any Parent Entity or IPO Vehicle owing to directors, officers, employees or other Persons under its charter or by-laws (or equivalent) or pursuant to written agreements with or for the benefit of any such Person (including the CD&R Indemnification Agreement), or obligations in respect of director and officer insurance (including premiums therefor), (iv) other administrative and operational expenses of any Parent Entity or IPO Vehicle incurred in the ordinary course of business, (v) fees and expenses incurred by any Parent Entity or IPO Vehicle in connection with maintenance and implementation of any management equity incentive plan associated with the management of the Borrower and its Subsidiaries, and (vi) fees and expenses incurred by any Parent Entity or IPO Vehicle in connection with any offering of Capital Stock or Indebtedness, (w) which offering is not completed, or (x) where the net proceeds of such offering are intended to be received by or contributed or loaned to the Borrower or a Restricted Subsidiary, or (y) in a prorated amount of such expenses in proportion to the amount of such net proceeds intended to be so received, contributed or loaned, or (z) otherwise on an interim basis prior to completion of such offering so long as any Parent Entity or IPO Vehicle shall cause the amount of such expenses to be repaid to the Borrower or the relevant Restricted Subsidiary out of the proceeds of such offering promptly if completed.

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"Pari Passu Indebtedness": any Indebtedness secured by a Lien on the Collateral ranking *pari passu* with the Liens securing the Term Loan Facility Obligations.

"Participant": as defined in Subsection 11.6(c)(i).

"Participant Register": as defined in Subsection 11.6(b)(v).

"Participating Lender": as defined in Subsection 4.4(i)(iii)(2).

"Passthrough Holdings": CD&R Plumb Buyer, LLC, a Delaware limited liability company, and any successor in interest thereto.

"Passthrough Mergersub": as defined in the Preamble hereto, and any successor in interest thereto.

"Patriot Act": as defined in Subsection 11.18.

"PBGC": the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor thereto).

"Permitted Affiliated Assignee": (i) CD&R and any investment fund managed or controlled by CD&R, (ii) any special purpose vehicle established by CD&R or by one or more of such investment funds managed or controlled by CD&R and (iii) any Parent Entity.

"Permitted Debt Exchange": as defined in Subsection 2.9(a).

"Permitted Debt Exchange Notes": as defined in Subsection 2.9(a).

"Permitted Debt Exchange Offer": as defined in Subsection 2.9(a).

"Permitted Holders": any of the following: (i) any of the CD&R Investors; (ii) any of the Management Investors, CD&R and their respective Affiliates; (iii) any investment fund or vehicle managed, sponsored or advised by CD&R or any Affiliate thereof, and any Affiliate of or successor to any such investment fund or vehicle; (iv) any limited or general partners of, or other investors in, any CD&R Investor or any Affiliate thereof, or any such investment fund or vehicle; (v) any "group" (as such term is used in Sections 13(d) and 14(d) of the

Exchange Act as in effect on the Closing Date) of which any of the Persons specified in clause (i), (ii), (iii) or (iv) above is a member (provided that (without giving effect to the existence of such "group" or any other "group") one or more of such Persons collectively have beneficial ownership, directly or indirectly, of more than 50.0% of the total voting power of the Voting Stock of the Borrower or any Parent Entity held by such "group"), and any other Person that is a member of such "group"; (vi) any Person acting in the capacity of an underwriter (solely to the extent that and for so long as such Person is acting in such capacity) in connection with a public or private offering of Capital Stock of the Borrower or any Parent Entity or IPO Vehicle; and (vii) unless and until it constitutes a Parent Entity, any IPO Vehicle (provided that no "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Closing Date), other than one or more "Permitted Holders" described in the preceding clauses (i) through (vi), has beneficial ownership (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date), directly or indirectly, of more than 50.0% of the total voting power of voting stock of such IPO Vehicle). In addition, any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Closing Date) whose status as a "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Closing Date) constitutes or results in a Change of Control in respect of which the Borrower makes a Change of Control Offer pursuant to Subsection 8.8(a) (whether or not in connection with any repayment or repurchase of Indebtedness outstanding pursuant to Junior Debt), together with its Affiliates, shall thereafter constitute Permitted Holders.

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"Permitted Investment": an Investment by the Borrower or any Restricted Subsidiary in, or consisting of, any of the following:

(i) a Restricted Subsidiary, the Borrower, or a Person that will, upon the making of such Investment, become a Restricted Subsidiary (and any Investment held by such Person that was not acquired by such Person, or made pursuant to a commitment by such Person that was not entered into, in contemplation of so becoming a Restricted Subsidiary);

(ii) another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to, or is liquidated into, the Borrower or a Restricted Subsidiary (and, in each case, any Investment held by such other Person that was not acquired by such Person, or made pursuant to a commitment by such Person that was not entered into, in contemplation of such merger, consolidation or transfer);

(iii) Temporary Cash Investments, Investment Grade Securities or Cash Equivalents;

(iv) receivables owing to the Borrower or any Restricted Subsidiary, if created or acquired in the ordinary course of business;

(v) any securities or other Investments received as consideration in, or retained in connection with, sales or other dispositions of property or assets, including Asset Dispositions made in compliance with Subsection 8.4;

(vi) securities or other Investments received in settlement of debts created in the ordinary course of business and owing to, or of other claims asserted by, the Borrower or any Restricted Subsidiary, or as a result of foreclosure, perfection or enforcement of any Lien, or in satisfaction of judgments, including in connection with any bankruptcy proceeding or other reorganization of another Person;

(vii) Investments in existence or made pursuant to legally binding written commitments in existence on the Closing Date and set forth on Schedule 1.1(a), and, in each case, any extension, modification, replacement, reinvestment or renewal thereof; provided that the amount of any such Investment may be increased in such extension, modification, replacement, reinvestment or renewal only (x) as required by the terms of such Investment or binding commitment as in existence on the Closing Date (including as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities) or (y) as otherwise permitted by this Agreement;

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(viii) Currency Agreements, Interest Rate Agreements, Commodities Agreements and related Hedging Obligations, which obligations are Incurred in compliance with Subsection 8.1;

(ix) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under Subsection 8.6;

(x) (1) Investments in or by any Special Purpose Subsidiary, or in connection with a Financing Disposition by, to, in or in favor of any Special Purpose Entity, including Investments of funds held in accounts permitted or required by the arrangements governing such Financing Disposition or any related Indebtedness, or (2) any promissory note issued by the Borrower or any Parent Entity; provided that if such Parent Entity receives cash from the relevant Special Purpose Entity in exchange for such note, an equal cash amount is contributed by any Parent Entity to the Borrower;

(xi) bonds secured by assets leased to and operated by the Borrower or any Restricted Subsidiary that were issued in connection with the financing of such assets so long as the Borrower or any Restricted Subsidiary may obtain title to such assets at any time by paying a nominal fee, canceling such bonds and terminating the transaction;

(xii) [reserved];

(xiii) any Investment to the extent made using Capital Stock of the Borrower (other than Disqualified Stock), Capital Stock of any Parent Entity or IPO Vehicle or Junior Capital as consideration;

(xiv) Management Advances;

(xv) Investments in Related Businesses in an aggregate amount outstanding at any time not to exceed an amount equal to the greater of \$272,500,000 and 16.50% of Consolidated Tangible Assets;

(xvi) any transaction to the extent it constitutes an Investment that is permitted by and made in accordance with the provisions of Subsection 8.5(b) (except transactions described in clauses (i), (ii)(4), (iii), (v), (vi), (ix) and (x) therein), including any Investment pursuant to any transaction described in Subsection 8.5(b)(ii) (whether or not any Person party thereto is at any time an Affiliate of the Borrower);

(xvii) any Investment by any Captive Insurance Subsidiary in connection with the provision of insurance to the Borrower or any of its Subsidiaries;

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(xviii) other Investments in an aggregate amount outstanding at any time not to exceed an amount equal to the greater of \$272,500,000 and 16.50% of Consolidated Tangible Assets;

(xix) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers' compensation, performance and similar deposits entered into as a result of the operations of the business of the Borrower and its Subsidiaries in the ordinary course of business or consistent with past practice;

(xx) Investments consisting of purchases or other acquisitions of inventory, supplies, services, material or equipment or the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons;

(xxi) any Investment in any joint venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business or consistent with past practice; and

(xxii) Investments made in the ordinary course of business or consistent with past practice in connection with obtaining, maintaining or renewing client contracts and loans or advances made to distributors in the ordinary course of business or consistent with past practice.

If any Investment pursuant to clause (xv) or (xviii) above, or Subsection 8.2(b)(vi) or 8.2(b)(xv), as applicable, is made in any Person that is not a Restricted Subsidiary and such Person thereafter (A) becomes a Restricted Subsidiary or (B) is merged or consolidated into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Borrower or a Restricted Subsidiary, then such Investment shall thereafter be deemed to have been made pursuant to clause (i) or (ii) above, respectively, and not clause (xv) or (xviii) above, or Subsection 8.2(b)(vi) or 8.2(b)(xv), as applicable, to the extent of such Investment remaining at such Unrestricted Subsidiary immediately after its redesignation as a Restricted Subsidiary.

"Permitted Liens":

(a) Liens for taxes, assessments or other governmental charges not yet delinquent or the nonpayment of which in the aggregate would not reasonably be expected to have a Material Adverse Effect on the Borrower and its Restricted Subsidiaries, taken as a whole, or that are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Borrower or a Subsidiary thereof, as the case may be, in accordance with GAAP;

(b) Liens with respect to outstanding motor vehicle fines and carriers', warehousemen's, mechanics', landlords', materialmen's, repairmen's or other like Liens arising in the ordinary course of business in respect of obligations that are not known to be overdue for a period of more than 60 days or that are bonded or that are being contested in good faith and by appropriate proceedings or which in the aggregate would not reasonably be expected to have a Material Adverse Effect on the Borrower and its Restricted Subsidiaries, taken as a whole;

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(c) pledges, deposits or Liens in connection with workers' compensation, professional liability insurance, insurance programs, unemployment insurance and other social security and other similar legislation or other insurance-related obligations (including pledges or deposits securing liability to insurance carriers under insurance or self-insurance arrangements);

(d) pledges, deposits or Liens to secure the performance of bids, tenders, trade, government or other contracts (other than for borrowed money), obligations for utilities, leases, licenses, statutory obligations, completion guarantees, surety, judgment, appeal or

performance bonds, other similar bonds, instruments or obligations, and other obligations of a like nature incurred in the ordinary course of business;

(e) (i) easements (including reciprocal easement agreements), rights-of-way, building, zoning and similar restrictions, utility agreements, covenants, reservations, restrictions, encroachments, charges, and other similar encumbrances or title defects or irregularities incurred, (ii) any other matters that would be disclosed in an accurate survey affecting real property or (iii) leases or subleases granted, licenses or sublicenses granted, or occupancy agreements granted to others, whether or not of record and whether now in existence or hereafter entered into which do not in the aggregate materially interfere with the ordinary conduct of the business of the Borrower and its Subsidiaries, taken as a whole;

(f) Liens existing on, or provided for under written arrangements existing on, the Closing Date and set forth on Schedule 1.1(b), or (in the case of any such Liens securing Indebtedness of the Borrower or any of its Subsidiaries existing or arising under written arrangements existing on the Closing Date) securing any Refinancing Indebtedness in respect of such Indebtedness (other than Indebtedness Incurred under Subsection 8.1(b)(i) and secured under clause (k)(1) of this definition), so long as the Lien securing such Refinancing Indebtedness is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or under such written arrangements could secure) the original Indebtedness;

(g) (i) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any developer, landlord or other third party on property over which the Borrower or any Restricted Subsidiary of the Borrower has easement rights or on any leased property and subordination or similar agreements relating thereto and (ii) any condemnation or eminent domain proceedings affecting any real property;

(h) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of Hedging Obligations, Bank Products Obligations, Purchase Money Obligations or Financing Lease Obligations Incurred in compliance with Subsection 8.1;

(i) Liens arising out of judgments, decrees, orders or awards in respect of which the Borrower or any Restricted Subsidiary shall in good faith be prosecuting an appeal or proceedings for review, which appeal or proceedings shall not have been finally terminated, or if the period within which such appeal or proceedings may be initiated shall not have expired;

(j) leases, subleases, licenses, sublicenses or occupancy agreements to or from third parties;

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(k) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of (1) Indebtedness Incurred in compliance with Subsection 8.1(b)(i) pursuant to (a) this Agreement and the other Loan Documents, (b) the Senior ABL Facility (provided any such Liens on the Term Loan Priority Collateral rank junior to the Liens securing the Term Loan Facility Obligations on the Term Loan Priority Collateral), (c) any Permitted Debt Exchange Notes (and any Refinancing Indebtedness in respect thereof), (d) any Rollover Indebtedness (and any Refinancing Indebtedness in respect thereof), (e) any Additional Obligations (and any Refinancing Indebtedness in respect thereof) and (f) Letter of Credit Facilities (and any Refinancing Indebtedness in respect thereof), provided, that any Liens on Collateral pursuant to subclause (b), (c), (d) or (e) of this clause (k)(1), shall be subject to the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement or an Other Intercreditor Agreement, as applicable, (2) Indebtedness Incurred in compliance with clauses (b)(iv), (b)(v), (b)(vii), (b)(viii), (b)(xi), (b)(xvi) or clauses (b)(iii)(B) and (C) of Subsection 8.1 (other than Refinancing Indebtedness Incurred in respect of Indebtedness described in Subsection 8.1(a) or 8.1(b)(xvii)), (3) any Indebtedness Incurred in compliance with Subsection 8.1(b)(xiii) or (b)(xvii) or (in the case of Refinancing Indebtedness Incurred in respect of Indebtedness described in Subsection 8.1(b)(xvii)) clause (b)(iii)(C) of Subsection 8.1, provided that any Liens securing such Indebtedness shall rank junior to the Liens securing the Term Loan Facility Obligations and shall be subject to the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement and/or an Other Intercreditor Agreement, as applicable, (4) (A) Acquisition Indebtedness Incurred in compliance with Subsection 8.1(b)(x) or (b)(xiv); provided that (x) such Liens are limited to all or part of the same property or assets, including Capital Stock (plus improvements, accessions, proceeds or dividends or distributions in respect thereof, or replacements of any thereof) acquired, or of any Person acquired or merged or consolidated with or into the Borrower or any Restricted Subsidiary, in any transaction to which such Acquisition Indebtedness relates, (y) on the date of the Incurrence of such Indebtedness after giving effect to such Incurrence, the Consolidated Secured Leverage Ratio would equal or be less than the Consolidated Secured Leverage Ratio immediately prior to giving effect thereto or (z) such Liens rank junior to the Liens securing the Term Loan Facility Obligations and shall be subject to the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement and/or an Other Intercreditor Agreement, as applicable, or (B) any Refinancing Indebtedness Incurred in respect thereof, (5) Indebtedness of any Restricted Subsidiary that is not a Subsidiary Guarantor (limited, in the case of this clause (k)(5), to Liens on any of the property and assets of any Restricted Subsidiary that is not a Subsidiary Guarantor), or (6) obligations in respect of Management Advances or

Management Guarantees, in each case under the foregoing clauses (1) through (6) including Liens securing any Guarantee of any thereof;

(l) Liens existing on property or assets of a Person at, or provided for under written arrangements existing at, the time such Person becomes a Subsidiary of the Borrower (or at the time the Borrower or a Restricted Subsidiary acquires such property or assets, including any acquisition by means of a merger or consolidation with or into the Borrower or any Restricted Subsidiary); provided, however, that such Liens and arrangements are not created in connection with, or in contemplation of, such other Person becoming such a Subsidiary (or such acquisition of such property or assets), and that such Liens are limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which such Liens arose, could secure) the obligations to which such Liens relate; provided, further, that for purposes of this clause (l), if a Person other than the Borrower is the Successor Borrower with respect thereto, any Subsidiary thereof shall be deemed to become a Subsidiary of the Borrower, and any property or assets of such Person or any such Subsidiary shall be deemed acquired by the Borrower or a Restricted Subsidiary, as the case may be, when such Person becomes such Successor Borrower;

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(m) Liens on Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary or any joint venture that secure Indebtedness or other obligations of such Unrestricted Subsidiary or joint venture, respectively;

(n) any encumbrance or restriction (including, but not limited to, pursuant to put and call agreements or buy/sell arrangements) with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(o) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of Refinancing Indebtedness Incurred in respect of any Indebtedness (other than any Indebtedness described in clause (k)(1) above of this definition) secured by, or securing any refinancing, refunding, extension, renewal or replacement (in whole or in part) of any other obligation secured by, any other Permitted Liens, provided that any such new Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the obligations to which such Liens relate;

(p) Liens (1) arising by operation of law (or by agreement to the same effect) in the ordinary course of business, including Liens arising under or by reason of the Perishable Agricultural Commodities Act of 1930, as amended from time to time, (2) on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets, (3) on Margin Stock, if and to the extent the value of all Margin Stock of the Borrower and its Subsidiaries exceeds 25% of the value of the total assets subject to Subsection 8.6, (4) on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent that such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose, (5) securing or arising by reason of any netting or set-off or customer deposit arrangement entered into in the ordinary course of banking or other trading activities (including in connection with purchase orders and other agreements with customers), (6) in favor of the Borrower or any Subsidiary (other than Liens on property or assets of the Borrower or any Subsidiary Guarantor in favor of any Subsidiary that is not a Subsidiary Guarantor), (7) arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business, (8) on inventory or other goods and proceeds securing obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods, (9) relating to pooled deposit or sweep accounts to permit satisfaction of overdraft, cash pooling or similar obligations incurred in the ordinary course of business, (10) attaching to commodity trading or other brokerage accounts incurred in the ordinary course of business, (11) arising in connection with repurchase agreements permitted under Subsection 8.1 on assets that are the subject of such repurchase agreements, (12) in favor of any Special Purpose Entity in connection with any Financing Disposition, (13) on any amounts (including the proceeds of the applicable Indebtedness and any cash, Cash Equivalents and Temporary Cash Investments deposited to cover interest and premium in respect of such Indebtedness) held by a trustee or escrow agent under any indenture or other debt agreement governing Indebtedness issued in escrow pursuant to customary escrow arrangements (as determined by the Borrower in good faith, which determination shall be conclusive) pending the release thereof, or on the proceeds deposited to discharge, redeem or defease Indebtedness under any indenture or other debt agreement pursuant to customary discharge, redemption or defeasance provisions (as determined by the Borrower in good faith, which determination shall be conclusive), pending such discharge, redemption or defeasance and after irrevocable notice thereof has been delivered to the applicable trustee or agent, (14) on equipment of the Borrower or any of its Restricted Subsidiaries granted in the ordinary course of business to the Borrower's or a Restricted Subsidiary's customers or (15) (x) on accounts receivable or notes receivable (including any ancillary rights pertaining thereto) purported to be sold or disposed of in connection with any factoring agreement or similar arrangements to secure obligations owed under such factoring agreement or similar arrangements and (y) any bank accounts used by the Borrower or any Restricted Subsidiary in connection with any factoring agreement or any similar arrangements;

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(q) other Liens securing Indebtedness or other obligations that in the aggregate at any time outstanding do not exceed an amount equal to the greater of \$165,000,000 and 10.00% of Consolidated Tangible Assets at the time of Incurrence of such Indebtedness or other obligations;

(r) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) or other obligations of, or in favor of, any Special Purpose Entity, or in connection with a Special Purpose Financing or otherwise, Incurred pursuant to clause (b)(ix) of Subsection 8.1;

(s) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of Indebtedness Incurred in compliance with Subsection 8.1; provided that on the date of Incurrence of such Indebtedness after giving effect to such Incurrence (or, at the Borrower's option, on the date of the initial borrowing of such Indebtedness or entry into the definitive agreement providing the commitment to fund such Indebtedness after giving pro forma effect to the Incurrence of the entire committed amount thereof, in which case such committed amount may thereafter be borrowed and reborrowed in whole or in part, from time to time, without further compliance with this clause), either (x) the Consolidated Secured Leverage Ratio shall not exceed 3.75 to 1.00 or (y) in the case of Liens securing Indebtedness being Incurred to finance or refinance, or otherwise Incurred in connection with any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary, or any other Investment, the Consolidated Secured Leverage Ratio of the Borrower would equal or be less than the Consolidated Secured Leverage Ratio of the Borrower immediately prior to giving effect thereto; and

(t) Liens on the Collateral, if such Liens rank junior to the Liens on such Collateral in relation to the Lien securing the Loans and the Subsidiary Guarantees, as applicable.

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For purposes of determining compliance with this definition, (s) a Lien need not be incurred solely by reference to one category of Permitted Liens described in this definition but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category), (t) the principal amount of Indebtedness secured by a Lien outstanding under any category of Permitted Liens shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness, (u) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Permitted Liens, the Borrower shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this definition, (v) any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness shall also be permitted to secure any increase in the amount of such Indebtedness in connection with the accrual of interest, the accretion of accreted value, the payment of interest in the form of additional Indebtedness and the payment of dividends on Capital Stock constituting Indebtedness in the form of additional shares of the same class of Capital Stock, (w) in the event that a portion of Indebtedness secured by a Lien could be classified as secured in part pursuant to clause (k)(1) above in respect of Indebtedness Incurred pursuant to the Ratio Incremental Facility (giving effect to the Incurrence of such portion of such Indebtedness), the Borrower, in its sole discretion, may classify such portion of such Indebtedness (and any Obligations in respect thereof) as having been secured pursuant to clause (k)(1) above in respect of Indebtedness Incurred pursuant to the Ratio Incremental Facility and the remainder of the Indebtedness as having been secured pursuant to such clause (k)(1) in respect of Indebtedness Incurred pursuant to Subsection 8.1(b)(i) (other than pursuant to the Ratio Incremental Facility) or one or more of the other clauses or subclauses of this definition (other than clause (s) above), (x) in the event that a portion of Indebtedness secured by a Lien could be classified in part pursuant to clause (s) above (giving effect to the Incurrence of such portion of Indebtedness), the Borrower, in its sole discretion, may classify such portion of Indebtedness (and any Obligations in respect thereof) as having been secured pursuant to clause (s) above and the remainder of the Indebtedness as having been secured pursuant to one or more of the other clauses or subclauses of this definition (other than clause (k)(1) above in respect of Indebtedness Incurred pursuant to the Ratio Incremental Facility), (y) if any Liens securing Indebtedness or other obligations are Incurred to refinance Liens securing Indebtedness or other obligations initially Incurred (or, to refinance Liens Incurred to refinance Liens initially Incurred) in reliance on any category of Permitted Liens measured by reference to a percentage of Consolidated Tangible Assets at the time of Incurrence of such Indebtedness or other obligation, and is refinanced by any Indebtedness or other obligation secured by any Lien incurred by reference to such category of Permitted Liens, and such refinancing (or any subsequent refinancing) would cause the percentage of Consolidated Tangible Assets to be exceeded if calculated based on the Consolidated Tangible Assets on the date of such refinancing, such percentage of Consolidated Tangible Assets shall not be deemed to be exceeded (and such refinancing Lien shall be deemed permitted) so long as the principal amount of such refinancing Indebtedness or other obligation does not exceed an amount equal to the principal amount of such Indebtedness or other obligation being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) incurred or payable in connection with such refinancing and (z) if any Indebtedness or other obligation is secured by any Lien outstanding under any category of Permitted Liens measured by reference to a dollar amount, and is refinanced by any Indebtedness or other obligation secured by any Lien incurred by reference to such category of Permitted Liens, and such refinancing (or any subsequent

refinancing) would cause such dollar amount to be exceeded, such dollar amount shall not be deemed to be exceeded (and such refinancing Lien shall be deemed permitted) so long as the principal amount of such refinancing Indebtedness or other obligation does not exceed an amount equal to the principal amount of such Indebtedness being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) incurred or payable in connection with such refinancing.

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"Permitted Payment": as defined in Subsection 8.2(b).

"Permitted Repricing Amendment": as defined in Subsection 11.1(i).

"Person": an individual, partnership, corporation, company, limited liability company, business trust, trust, joint stock company, unincorporated organization, association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan": at a particular time, any employee benefit plan which is covered by ERISA and in respect of which the Borrower or a Commonly Controlled Entity is an "employer" as defined in Section 3(5) of ERISA.

"Platform": Intralinks, SyndTrak Online, Debtdomain or any other similar electronic distribution system.

"Plumb Acquisition Agreement": the Purchase Agreement, dated as of June 4, 2017, as amended and restated pursuant to the Amended and Restated Agreement and Plan of Merger, dated as of July 14, 2017, by and among Passthrough Holdings, Passthrough Mergersub, New Blocker, Blocker Mergersub, the Sellers, Waterworks Blocker, Waterworks Opco and HD Supply, Inc., as the same may be further amended, supplemented, waived or otherwise modified from time to time in accordance with this Agreement.

"Preferred Stock": as applied to the Capital Stock of any corporation or company, Capital Stock of any class or classes (however designated) that by its terms is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation or company, over Capital Stock of any other class of such corporation or company.

"Prepayment Date": as defined in Subsection 4.4(h).

"Pricing Grid": with respect to Original Initial Term Loans:

Consolidated Total Leverage Ratio	Applicable Margin for ABR Loans	Applicable Margin for <u>Eurodollar Term SOFR Rate</u> Loans
Greater than or equal to 5.75 to 1.00	2.00 %	3.00 %
Less than 5.75 to 1.00	1.75 %	2.75 %

"Projections": those financial projections included in the confidential information memoranda and related material prepared in connection with the syndication of the Facilities and provided to the Lenders on or about July 12, 2017.

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"Pubco": Core & Main, Inc., a Delaware corporation, and any successor in interest thereto.

"Pubco IPO": the Qualified IPO of Pubco relating to Pubco's registration statement on Form S-1 (Registration No. 333-256382).

"Pubco IPO Transaction Proceeds": the cash equity contributions to the Borrower on the First Amendment Effective Date from the proceeds of the Pubco IPO solely to the extent used to fund the Tranche B Effective Date Transactions.

"Pubco Merger Sub 1": Brooks Merger Sub 1, Inc., a Delaware corporation, and any successor in interest thereto.

"Pubco Merger Sub 2": Brooks Merger Sub 2, Inc., a Delaware corporation, and any successor in interest thereto.

"Pubco Merger Subs": Pubco Merger Sub 1 and Pubco Merger Sub 2, collectively, and each individually, a "Pubco Merger Sub."

"Pubco Merger Sub Mergers": collectively, (i) the merger of Passthrough Holdings with and into New Blocker Holdings, with New Blocker Holdings being the survivor of such merger, (ii) the merger of Blocker Holdings with and into New Blocker, with New Blocker being the survivor of such merger, (iii) the merger of Pubco Merger Sub 1 with and into WW Advisor, with WW Advisor being the survivor

of such merger and (iv) the merger of Pubco Merger Sub 2 with and into New Blocker Holdings, with New Blocker Holdings being the survivor of such merger.

"Pubco Mergers": collectively, (i) the merger of WW Advisor with and into Pubco, with Pubco being the survivor of such merger and (ii) the merger of New Blocker Holdings with and into Pubco, with Pubco being the survivor of such merger.

"PTE": a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Purchase": as defined in clause (4) of the definition of "Consolidated Coverage Ratio."

"Purchase Money Obligations": any Indebtedness Incurred to finance or refinance the acquisition, leasing, construction or improvement of property (real or personal) or assets, and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets, or otherwise.

"Qualified IPO": the issuance, sale or listing of common equity interests of the Borrower, any Parent Entity or IPO Vehicle pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act (whether alone, in connection with an underwritten or secondary public offering or otherwise) and such equity interests are listed on a nationally-recognized stock exchange in the U.S.

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"Qualifying Lender": as defined in Subsection 4.4(l)(iv)(3).

"Ratio Incremental Facility": as defined in the definition of "Maximum Incremental Facilities Amount".

"Receivable": a right to receive payment pursuant to an arrangement with another Person pursuant to which such other Person is obligated to pay, as determined in accordance with GAAP.

"Recovery Event": any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding relating to any asset of the Borrower or any Restricted Subsidiary constituting Collateral giving rise to Net Available Cash to the Borrower or such Restricted Subsidiary, as the case may be, in excess of the greater of \$50,000,000 and 3.50% of Consolidated Tangible Assets, to the extent that such settlement or payment does not constitute reimbursement or compensation for amounts previously paid by the Borrower or any Restricted Subsidiary in respect of such casualty or condemnation.

"Reference Banks": JPMorgan Chase Bank, N.A., Bank of America, N.A., Citibank, N.A., Barclays Bank PLC, Credit Suisse AG, Deutsche Bank AG New York Branch, Royal Bank of Canada, Goldman Sachs Bank USA, Natixis, New York Branch and Nomura Corporate Funding Americas, LLC.

"refinance": refinance, refund, replace, renew, repay, modify, restate, defer, substitute, supplement, reissue, resell or extend (including pursuant to any defeasance or discharge mechanism); and the terms "refinances", "refinanced" and "refinancing" as used for any purpose in this Agreement shall have a correlative meaning.

"Refinancing Agreement": as defined in Subsection 8.3(c).

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"Refinancing Indebtedness": Indebtedness that is Incurred to refinance Indebtedness (or unutilized commitments in respect of Indebtedness) Incurred pursuant to this Agreement and the Loan Documents, the Senior ABL Facility and any Indebtedness (or unutilized commitment in respect of Indebtedness) existing on the Closing Date and set forth on Schedule 8.1 or Incurred (or established) in compliance with this Agreement (including Indebtedness of the Borrower that refinances Indebtedness (or unutilized commitments in respect of Indebtedness) of the Borrower or any Restricted Subsidiary (to the extent permitted in this Agreement) and Indebtedness of any Restricted Subsidiary that refinances Indebtedness (or unutilized commitments in respect of Indebtedness) of the Borrower or another Restricted Subsidiary) including Indebtedness that refinances Refinancing Indebtedness, and Indebtedness Incurred pursuant to a commitment that refinances any Indebtedness or unutilized commitment; provided that (1) if the Indebtedness being refinanced is Subordinated Obligations or Guarantor Subordinated Obligations, the Refinancing Indebtedness (x) has a final Stated Maturity at the time such Refinancing Indebtedness is Incurred that is the same as or later than the final Stated Maturity of the Indebtedness being refinanced (or, if earlier, the Initial Term Loan Maturity Date), (y) has a weighted average life to maturity at the time such Refinancing Indebtedness is Incurred that is equal to or longer than the remaining weighted average life to maturity of the Indebtedness being refinanced (or, if shorter, the remaining weighted average life to maturity of the Initial Term Loans) (provided that any applicable Refinancing Indebtedness may have an earlier maturity date and/or shorter weighted average life to maturity (1) in the case of customary bridge financings, which, subject

to customary conditions (as determined by the Borrower in good faith, which determination shall be conclusive), would either be automatically converted into or required to be exchanged for permanent financing which does not provide for such earlier maturity date or such shorter weighted average life to maturity, (2) pursuant to an escrow or similar arrangement with respect to the proceeds of such Refinancing Indebtedness or (3) if the aggregate principal amount of any Additional Obligations and Indebtedness under any Incremental Term Loan Commitments, any Specified Refinancing Term Loan Facility and any applicable Extended Tranche, in each case outstanding under the Earlier Maturity Date Basket) does not exceed the Earlier Maturity Date Basket) and (z) if an Event of Default under Subsection 9.1(a) or (f) is continuing, is subordinated in right of payment to the Term Loan Facility Obligations to the same extent as the Indebtedness being refinanced, (2) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or, if issued with original issue discount, with an aggregate issue price) that is equal to or less than the sum of (x) the aggregate principal amount then outstanding of the Indebtedness being refinanced, plus (y) an amount equal to any unutilized commitment relating to the Indebtedness being refinanced or otherwise then outstanding under the financing arrangement being refinanced to the extent the unutilized commitment being refinanced could be drawn in compliance with Subsection 8.1 immediately prior to such refinancing, plus (z) fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing, (3) Refinancing Indebtedness shall not include (x) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor that refinances Indebtedness of the Borrower or a Subsidiary Guarantor that could not have been initially Incurred by such Restricted Subsidiary pursuant to Subsection 8.1 or (y) Indebtedness of the Borrower or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary, and (4) if the Indebtedness being refinanced constitutes Additional Obligations, Rollover Indebtedness, Permitted Debt Exchange Notes or Term Loan Facility Obligations Incurred pursuant to Subsection 8.1(b)(i)(ii)(a) (or Refinancing Indebtedness in respect of the foregoing Indebtedness), (w) the Refinancing Indebtedness complies with the requirements of the definition of "Additional Obligations" (other than clause (ii) thereof), (x) if the Indebtedness being refinanced is unsecured and an Event of Default under Subsection 9.1(a) or (f) is continuing, the Refinancing Indebtedness is unsecured and (y) if the Indebtedness being refinanced is secured by a Lien on Term Loan Priority Collateral ranking junior to the Liens on Term Loan Priority Collateral securing the Term Loan Facility Obligations and an Event of Default under Subsection 9.1(a) or (f) is continuing, the Refinancing Indebtedness is unsecured or secured by a Lien on Term Loan Priority Collateral ranking junior to the Liens on Collateral securing the Term Loan Facility Obligations.

"Refunding Capital Stock": as defined in Subsection 8.2(b)(i).

"Register": as defined in Subsection 11.6(b)(iv).

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"Regulated Bank": (x) an Approved Commercial Bank that is (i) a U.S. depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation; (ii) a corporation organized under Section 25A of the U.S. Federal Reserve Act of 1913; (iii) a branch, agency or commercial lending company of a foreign bank operating pursuant to approval by and under the supervision of the Board under 12 CFR part 211; (iv) a non-U.S. branch of a foreign bank managed and controlled by a U.S. branch referred to in clause (iii); or (v) any other U.S. or non-U.S. depository institution or any branch, agency or similar office thereof supervised by a bank regulatory authority in any jurisdiction or (y) any Affiliate of a Person set forth in clause (x) to the extent that (1) all of the Capital Stock of such Affiliate is directly or indirectly owned by either (i) such Person set forth in clause (x) or (ii) a parent entity that also owns, directly or indirectly, all of the Capital Stock of such Person set forth in clause (x) and (2) such Affiliate is a securities broker or dealer registered with the SEC under Section 15 of the Exchange Act.

"Regulation D": Regulation D of the Board as in effect from time to time.

"Regulation S-X": Regulation S-X promulgated by the SEC as in effect on the Closing Date.

"Regulation T": Regulation T of the Board as in effect from time to time.

"Regulation U": Regulation U of the Board as in effect from time to time.

"Regulation X": Regulation X of the Board as in effect from time to time.

"Reinvestment Period": as defined in Subsection 8.4(b)(i).

"Related Business": those businesses in which the Borrower or any of its Subsidiaries is engaged on the Closing Date, or that are similar, related, complementary, incidental or ancillary thereto or extensions, developments or expansions thereof.

"Related Parties": with respect to any Person, such Person's Affiliates and the partners, officers, directors, trustees, employees, equity holders, shareholders, members, attorneys and other advisors, agents and controlling persons of such Person and of such Person's affiliates and "Related Party" shall mean any of them.

"Related Taxes": (x) any taxes, charges or assessments, including but not limited to sales, use, transfer, rental, ad valorem, value added, stamp, property, consumption, franchise, license, capital, net worth, gross receipts, excise, occupancy, intangibles or similar taxes, charges or assessments (other than federal, state or local taxes measured by income and federal, state or local withholding imposed by any government or other taxing authority on payments made by any Parent Entity or IPO Vehicle other than to another Parent Entity or IPO Vehicle), required to be paid by any Parent Entity or IPO Vehicle by virtue of its being incorporated or having Capital Stock outstanding (but not by virtue of owning stock or other equity interests of any corporation or other entity other than the Borrower, any of its Subsidiaries or any Parent Entity or IPO Vehicle), or being a holding company parent of the Borrower, any of its Subsidiaries or any Parent Entity or IPO Vehicle or receiving dividends from or other distributions in respect of the Capital Stock of the Borrower, any of its Subsidiaries or any Parent Entity or IPO Vehicle, or having guaranteed any obligations of the Borrower or any Subsidiary thereof, or having received any payment in respect of any of the items for which the Borrower or any of its Subsidiaries is permitted to make payments to any Parent Entity or IPO Vehicle pursuant to [Subsection 8.2](#), or acquiring, developing, maintaining, owning, prosecuting, protecting or defending its intellectual property and associated rights (including but not limited to receiving or paying royalties for the use thereof), or assertions of infringement, misappropriation, dilution or other violation of third-party intellectual property or associated rights, to the extent relating to the business or businesses of the Borrower or any Subsidiary thereof, (y) any taxes attributable to any taxable period (or portion thereof) ending on or prior to the Closing Date, or to the consummation of any of the Transactions or the Tranche B Effective Date Transactions, or to any Parent Entity's or IPO Vehicle's receipt of (or entitlement to) any payment in connection with the Transactions or the Tranche B Effective Date Transactions, including any payment received after the Closing Date pursuant to any agreement related to the Transactions or the Tranche B Effective Date Transactions or (z) any Tax Distributions; provided that at the election of the Borrower in connection with an initial public offering or other restructuring of the Borrower or any Parent Entity or IPO Vehicle, this clause (z) shall instead mean any other federal, state, foreign, provincial or local taxes measured by income for which any Parent Entity or IPO Vehicle is liable up to an amount not to exceed, with respect to federal taxes, the amount of any such taxes that the Borrower and its Subsidiaries would have been required to pay on a separate company basis, or on a consolidated basis as if the Borrower had filed a consolidated return on behalf of an affiliated group (as defined in Section 1504 of the Code) of which it were the common parent, or with respect to state, foreign, provincial and local taxes, the amount of any such taxes that the Borrower and its Subsidiaries would have been required to pay on a separate company basis, or on a consolidated, combined, unitary or affiliated basis as if the Borrower had filed a consolidated, combined, unitary or affiliated return on behalf of an affiliated group (as defined in the applicable state, foreign, provincial or local tax laws for filing such return) consisting only of the Borrower and its Subsidiaries. Taxes include all interest, penalties and additions relating thereto.

"Reorganization Agreement": the Master Reorganization Agreement, dated as of July 22, 2021, by and among Topco, Pubco, Management Holdings, Waterworks Holdings LLC, certain CD&R Investors and other parties set forth in the preamble thereto, as the same may be amended, supplemented, waived or otherwise modified from time to time.

"Reportable Event": any of the events set forth in Section 4043(c) of ERISA or the regulations issued thereunder, other than those events as to which the 30 day notice period is waived under Section 21, 22, 23, 24, 25, 27 or 28 of PBGC Regulation Section 4043 or any successor regulation thereto.

"Repricing Transaction": the prepayment, refinancing, substitution or replacement of all or a portion of the Initial Term Loans (including, without limitation, as may be effected through any amendment, waiver or modification to this Agreement relating to the interest rate for, or weighted average yield of, the Initial Term Loans), (a) if the primary purpose of such prepayment, refinancing, substitution, replacement, amendment, waiver or modification is (as determined by the Borrower in good faith, which determination shall be conclusive) to refinance the Initial Term Loans at a lower "effective yield" (taking into account, among other factors, margin, upfront or similar fees or original issue discount shared with all providers of such financing, but excluding the effect of any arrangement, commitment, underwriting, structuring, syndication or other fees payable in connection therewith that are not shared with all providers of such financing, and without taking into account any fluctuations in the ~~Adjusted LIBOR~~ [Term SOFR](#) Rate, but including any ~~LIBOR~~ [Term SOFR Rate](#) floor or similar floor that is higher than the then applicable ~~Adjusted LIBOR~~ [Term SOFR](#) Rate), (b) if the prepayment, refinancing, substitution, replacement, amendment, waiver or modification is effectuated by the incurrence by the Borrower or any Restricted Subsidiary of new Indebtedness, such new Indebtedness is broadly marketed or syndicated first lien secured bank financing, and (c) if such prepayment, refinancing, substitution, replacement, amendment, waiver or modification results in first lien secured bank financing having an "effective yield" (as reasonably determined by the Administrative Agent, in consultation with the Borrower, consistent with generally accepted financial practices, after giving effect to, among other factors, margin, upfront or similar fees or original issue discount shared with all providers of such financing (calculated based on assumed four-year average life), but excluding the effect of any arrangement, commitment, underwriting, structuring, syndication or other fees payable in connection therewith that are not shared with all providers of such financing,

and without taking into account any fluctuations in the ~~Adjusted LIBOR~~ Term SOFR Rate, but including any ~~LIBOR~~ Term SOFR Rate floor or similar floor that is higher than the then applicable ~~Adjusted LIBOR~~ Term SOFR Rate) that is less than the "effective yield" (as reasonably determined by the Administrative Agent, in consultation with the Borrower, on the same basis) of the Initial Term Loans prior to being so prepaid, refinanced, substituted or replaced or subject to such amendment, waiver or modification to this Agreement.

"Required Lenders": Lenders the Term Credit Percentages of which aggregate to greater than 50.0%; provided that the Term Loans and unused Term Loan Commitments (if any) held or deemed held by Defaulting Lenders shall be excluded for purposes of making a determination of Required Lenders; provided further, that the Term Loans and unused Term Loan Commitments (if any) held or deemed held by a Disqualified Party shall be excluded for purposes of making a determination of Required Lenders.

"Required Majority in Interest Lenders": Lenders of any Tranche or Lenders of any group of affected Lenders, as applicable, the Total Credit Percentages of which aggregate to greater than 50.0% of the Total Credit Percentages of such Tranche or Lenders of such group of affected Lenders; provided that Incremental Revolving Commitments and Term Loans and unused Term Loan Commitments (if any) held or deemed held by Defaulting Lenders shall be excluded for purposes of making a determination of Required Majority in Interest Lenders; provided, further, that the Incremental Revolving Commitments and Term Loans and unused Term Loan Commitments (if any) held or deemed held by a Disqualified Party shall be excluded for purposes of making a determination of Required Majority in Interest Lenders.

"Requirement of Law": as to any Person, the Organizational Documents of such Person, and any law, statute, ordinance, code, decree, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its material property or to which such Person or any of its material property is subject, including laws, ordinances and regulations pertaining to zoning, occupancy and subdivision of real properties; provided that the foregoing shall not apply to any non-binding recommendation of any Governmental Authority.

"Resolution Authority": an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

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"Responsible Officer": as to any Person, any of the following officers of such Person: (a) the chief executive officer or the president of such Person and, with respect to financial matters, the chief financial officer, chief accounting officer, the treasurer or the controller of such Person, (b) any vice president of such Person or, with respect to financial matters, any assistant treasurer or assistant controller of such Person, in each case who has been designated in writing to the Administrative Agent or the Collateral Agent as a Responsible Officer by such chief executive officer or president of such Person or, with respect to financial matters, by such chief financial officer of such Person, (c) with respect to the fifth and sixth sentences of Subsection 1.2(c), Subsection 7.7 and ERISA matters and without limiting the foregoing, the general counsel (or substantial equivalent) of such Person, (d) with respect to any Person that does not have officers, the officer listed in clauses (a) through (c) of a Person that has the authority to act on behalf of such Person and (e) any other individual designated as a "Responsible Officer" for the purposes of this Agreement by the Board of Directors or equivalent body of such Person.

"Restricted Payment": as defined in Subsection 8.2(a).

"Restricted Payment Transaction": any Restricted Payment permitted pursuant to Subsection 8.2, any Permitted Payment, any Permitted Investment, or any transaction specifically excluded from the definition of the term "Restricted Payment" (including pursuant to the exception contained in clause (i) of such definition and the parenthetical exclusions contained in clauses (ii) and (iii) of such definition).

"Restricted Subsidiary": any Subsidiary of the Borrower other than an Unrestricted Subsidiary.

"Revolving Lender": any Incremental Revolving Lender.

"Revolving Loans": any Incremental Revolving Loans.

"Rollover Indebtedness": Indebtedness of the Borrower or a Guarantor issued to any Lender in lieu of such Lender's pro rata portion of any repayment of Term Loans made pursuant to Subsection 4.4(a) or (e); so long as (other than in connection with a refinancing in full of the Facilities) such Indebtedness would not have a weighted average life to maturity that is shorter than the remaining weighted average life to maturity of the Term Loans being repaid.

"S&P": Standard & Poor's Financial Services LLC, a division of S&P Global, Inc., and its successors.

"Sale": as defined in clause (3) of the definition of "Consolidated Coverage Ratio."

"Sanctions": as defined in clause (c) of the first sentence of Subsection 5.21.

"SEC": the United States Securities and Exchange Commission or any successor thereto.

"Second Amendment": the Second Amendment, dated as of February 26, 2023, by and among the Borrower and the Administrative Agent.

"Second Amendment Effective Date": February 26, 2023.

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"Secured Parties": the "Secured Parties" as defined in the Guarantee and Collateral Agreement.

"Securities Act": the Securities Act of 1933, as amended from time to time.

"Security Documents": the collective reference to the Guarantee and Collateral Agreement and all other similar security documents hereafter delivered to the Collateral Agent granting or perfecting a Lien on any asset or assets of any Loan Party to secure the obligations and liabilities of the Loan Parties hereunder and/or under any of the other Loan Documents or to secure any guarantee by any Guarantor of any such obligations and liabilities, including any security documents executed and delivered or caused to be delivered to the Collateral Agent pursuant to Subsection 7.9(a), 7.9(b), 7.9(c) or 7.9(d), in each case, as amended, supplemented, waived or otherwise modified from time to time.

"Sellers": HD Supply Holdings, LLC, a Florida limited liability company, and HD Supply GP & Management, Inc., a Delaware corporation, and in each case any successor in interest thereto.

"Senior ABL Agreement": the ABL Credit Agreement, dated as of the Closing Date, as amended by Amendment No. 1, dated as of July 8, 2019, Amendment No. 2, dated as of May 4, 2020, and Amendment No. 3, dated as of the First Amendment Effective Date, among the Borrower, the subsidiary borrowers party thereto from time to time, the lenders party thereto from time to time and Citibank, N.A. (and/or one of its Affiliates), as administrative agent and collateral agent thereunder, as such agreement may be further amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased, decreased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior ABL Agreement or one or more other credit agreements or otherwise), except to the extent such agreement, instrument or document expressly provides that it is not intended to be and is not a Senior ABL Agreement. Any reference to the Senior ABL Agreement hereunder shall be deemed a reference to each Senior ABL Agreement then in existence.

"Senior ABL Facility": the collective reference to the Senior ABL Agreement, any Loan Documents (as defined therein), any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent, trademark and copyright security agreement, mortgages, letter of credit applications and other guarantees, pledge agreements, security agreements and collateral documents, and other instruments and documents, executed and delivered pursuant to or in connection with any of the foregoing, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased, decreased or extended from time to time (whether in whole or in part, whether with the original agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior ABL Agreement or one or more other credit agreements, indentures or financing agreements or otherwise) except to the extent such agreement, instrument or document expressly provides that it is not intended to be and is not a Senior ABL Facility. Without limiting the generality of the foregoing, the term "Senior ABL Facility" shall include any agreement (i) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (ii) adding Subsidiaries of the Borrower as additional borrowers or guarantors thereunder, (iii) increasing or decreasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (iv) otherwise altering the terms and conditions thereof.

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"Senior Add-on Notes": Additional 6.125% Senior Notes due 2025 of the Borrower issued on June 5, 2020, as the same may be exchanged for substantially similar senior notes that have been registered under the Securities Act, and as the same or such substantially similar notes may be amended, supplemented, waived or otherwise modified from time to time in accordance with this Agreement.

"Senior Notes": 6.125% Senior Notes due 2025 of the Borrower issued on the Closing Date, as the same may be exchanged for substantially similar senior notes that have been registered under the Securities Act, and as the same or such substantially similar notes may be amended, supplemented, waived or otherwise modified from time to time in accordance with this Agreement.

"Senior Notes Documents": the Senior Notes Indenture and all other instruments, agreements and other documents evidencing or governing the Senior Notes and the Senior Add-on Notes or providing for any guarantee, obligation, security or other right in respect thereof, as the same may be amended, supplemented, waived or otherwise modified from time to time.

"Senior Notes Indenture": the Indenture dated as of the Closing Date, under which the Senior Notes and the Senior Add-on Notes are issued, as the same may be amended, supplemented, waived or otherwise modified from time to time.

"Set": the collective reference to Eurodollar Term SOFR Rate Loans of a single Tranche, the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Eurodollar Term SOFR Rate Loans shall originally have been made on the same day).

"Settlement Service": as defined in Subsection 11.6(b).

"Single Employer Plan": any Plan which is covered by Title IV or Section 302 of ERISA or Section 412 of the Code, but which is not a Multiemployer Plan.

"SOFR": with respect to any U.S. Government Securities Business Day, a rate per annum equal to the secured overnight financing rate for such U.S. Government Securities Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding U.S. Government Securities Business Day.

"SOFR Administrator": the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website": the NYFRB's website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

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"Solicited Discount Proration": as defined in Subsection 4.4(l)(iv)(3).

"Solicited Discounted Prepayment Amount": as defined in Subsection 4.4(l)(iv)(1).

"Solicited Discounted Prepayment Notice": an irrevocable written notice of a Borrower Solicitation of Discounted Prepayment Offer made pursuant to Subsection 4.4(l)(iv) substantially in the form of Exhibit Q.

"Solicited Discounted Prepayment Offer": the irrevocable written offer by each Lender, substantially in the form of Exhibit R, submitted following the Administrative Agent's receipt of a Solicited Discounted Prepayment Notice.

"Solicited Discounted Prepayment Response Date": as defined in Subsection 4.4(l)(iv)(1).

"Solvent" and "Solvency": with respect to the Borrower and its Subsidiaries on a consolidated basis after giving effect to the Transactions on the Closing Date means (i) the Fair Value and Present Fair Salable Value of the assets of the Borrower and its Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; (ii) the Borrower and its Subsidiaries taken as a whole do not have Unreasonably Small Capital; and (iii) the Borrower and its Subsidiaries taken as a whole will be able to pay their Stated Liabilities and Identified Contingent Liabilities as they mature (all capitalized terms used in this definition (other than "Borrower", "Closing Date", "Subsidiary" and "Transactions", which have the meanings set forth in this Agreement) shall have the meanings assigned to such terms in the form of solvency certificate attached hereto as Exhibit H).

"Special Purpose Entity": (x) any Special Purpose Subsidiary or (y) any other Person that is engaged in the business of (i) acquiring, selling, collecting, financing or refinancing Receivables, accounts (as defined in the Uniform Commercial Code or any analogous law, as in effect in any applicable jurisdiction from time to time), other accounts and/or other receivables, and/or related assets, (ii) acquiring, selling, leasing, financing or refinancing Real Property and/or related rights (including under leases and insurance policies) and/or related assets (including managing, exercising and disposing of any such rights and/or assets) and/or (iii) financing or refinancing in respect of Capital Stock of any Special Purpose Subsidiary.

"Special Purpose Financing": any financing or refinancing of assets consisting of or including Receivables and/or Real Property of the Borrower or any Restricted Subsidiary that have been transferred to a Special Purpose Entity or made subject to a Lien in a Financing Disposition (including any financing or refinancing in respect of Capital Stock of a Special Purpose Subsidiary held by another Special Purpose Subsidiary).

"Special Purpose Financing Expense": for any period, (a) the aggregate interest expense for such period on any Indebtedness of any Special Purpose Subsidiary that is a Restricted Subsidiary, which Indebtedness is not recourse to the Borrower or any Restricted

Subsidiary that is not a Special Purpose Subsidiary (other than with respect to Special Purpose Financing Undertakings), and (b) Special Purpose Financing Fees.

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"Special Purpose Financing Fees": distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Special Purpose Financing.

"Special Purpose Financing Undertakings": representations, warranties, covenants, indemnities, guarantees of performance and (subject to clause (y) of the proviso below) other agreements and undertakings entered into or provided by the Borrower or any of its Restricted Subsidiaries that the Borrower determines in good faith (which determination shall be conclusive) are customary or otherwise necessary or advisable in connection with a Special Purpose Financing or a Financing Disposition; provided that (x) it is understood that Special Purpose Financing Undertakings may consist of or include (i) reimbursement and other obligations in respect of notes, letters of credit, surety bonds and similar instruments provided for credit enhancement purposes, (ii) Hedging Obligations or other obligations relating to Interest Rate Agreements, Currency Agreements or Commodities Agreements entered into by the Borrower or any Restricted Subsidiary, in respect of any Special Purpose Financing or Financing Disposition, or (iii) any Guarantee in respect of customary recourse obligations (as determined in good faith by the Borrower, which determination shall be conclusive) in connection with any collateralized mortgage-backed securitization or any other Special Purpose Financing or Financing Disposition, including in respect of Liabilities in the event of any involuntary case commenced with the collusion of any Special Purpose Subsidiary or any Affiliate thereof, or any voluntary case commenced by any Special Purpose Subsidiary, under any applicable bankruptcy law, and (y) subject to the preceding clause (x), any such other agreements and undertakings shall not include any Guarantee of Indebtedness of a Special Purpose Subsidiary by the Borrower or a Restricted Subsidiary that is not a Special Purpose Subsidiary.

"Special Purpose Subsidiary": any Subsidiary of the Borrower that (a) is engaged solely in (x) the business of (i) acquiring, selling, collecting, financing or refinancing Receivables, accounts (as defined in the Uniform Commercial Code or any analogous law, as in effect in any applicable jurisdiction from time to time) and other accounts and receivables (including any thereof constituting or evidenced by chattel paper, instruments or general intangibles), all proceeds thereof and all rights (contractual and other), collateral and other assets relating thereto, (ii) acquiring, selling, leasing, financing or refinancing Real Property and/or related rights (including under leases and insurance policies) and/or related assets (including managing, exercising and disposing of any such rights and/or assets), all proceeds thereof and all rights (contractual and other), collateral and/or other assets relating thereto, and/or (iii) owning or holding Capital Stock of any Special Purpose Subsidiary and/or engaging in any financing or refinancing in respect thereof, and (y) any business or activities incidental or related to such business, and (b) is designated as a "Special Purpose Subsidiary" by the Borrower.

"Specified Discount": as defined in Subsection 4.4(l)(ii)(1).

"Specified Discount Prepayment Amount": as defined in Subsection 4.4(l)(ii)(1).

"Specified Discount Prepayment Notice": an irrevocable written notice of the Borrower Offer of Specified Discount Prepayment made pursuant to Subsection 4.4(l)(ii) substantially in the form of Exhibit S.

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"Specified Discount Prepayment Response": the written response by each Lender, substantially in the form of Exhibit T, to a Specified Discount Prepayment Notice.

"Specified Discount Prepayment Response Date": as defined in Subsection 4.4(l)(ii)(1).

"Specified Discount Proration": as defined in Subsection 4.4(l)(ii)(3).

"Specified Existing Tranche": as defined in Subsection 2.10(a)(ii).

"Specified Refinancing Amendment": an amendment to this Agreement effecting the incurrence of Specified Refinancing Facilities in accordance with Subsection 2.11.

"Specified Refinancing Facilities": as defined in Subsection 2.11(a).

"Specified Refinancing Indebtedness": Indebtedness incurred by the Borrower pursuant to and in accordance with Subsection 2.11.

"Specified Refinancing Lenders": as defined in Subsection 2.11(b).

"Specified Refinancing Loans": as defined in Subsection 2.11(a).

"Specified Refinancing Term Loan Facilities": as defined in Subsection 2.11(a).

"Specified Refinancing Term Loans": as defined in Subsection 2.11(a).

"Specified Refinancing Tranche": Specified Refinancing Facilities with the same terms and conditions made on the same day and any Supplemental Term Loan in respect thereof added to such Tranche pursuant to Subsection 2.8.

"Specified Representations": the representations set forth in (x) the last sentence of Subsection 5.2, (y) Subsections 5.3(a) (with respect to due organization and valid existence), 5.4 (other than the second sentence thereof), (to the extent the incurrence of the Loans, the provision of guarantees and granting of security would contravene the Organizational Documents of any Loan Party) 5.5(c), 5.11, 5.13 (subject to the limitations set forth in the proviso to Subsections 6.1(a), 6.1(g) and 6.1(h)), 5.21(a) and (to the extent the use of proceeds of the Loans on the Closing Date would violate OFAC) clause (c) of the first sentence of Subsection 5.21 and (z) the first sentence of Subsection 5.14.

"Sponsor": CD&R.

"Stated Maturity": with respect to any Indebtedness, the date specified in such Indebtedness as the fixed date on which the payment of principal of such Indebtedness is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase or repayment of such Indebtedness at the option of the holder thereof upon the happening of any contingency).

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~~"Statutory Reserves": for any day as applied to a Eurodollar Loan, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the United States Federal Reserve System in New York City with deposits exceeding \$1,000,000,000 against "Eurocurrency liabilities" (as such term is used in Regulation D); Eurodollar Loans shall be deemed to constitute Eurocurrency liabilities and to be subject to such reserve requirements without benefit of or credit for proration, exceptions or offsets which may be available from time to time to any Lender under Regulation D;~~

"Submitted Amount": as defined in Subsection 4.4(l)(iii)(1).

"Submitted Discount": as defined in Subsection 4.4(l)(iii)(1).

"Subordinated Obligations": any Indebtedness of the Borrower (whether outstanding on the Closing Date or thereafter Incurred) that is expressly subordinated in right of payment to the Term Loan Facility Obligations pursuant to a written agreement.

"Subsection 2.10 Additional Amendment": as defined in Subsection 2.10(c).

"Subsidiary": as to any Person, a corporation, association, partnership, limited liability company or other entity (a) of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the Board of Directors or other managers of such corporation, partnership, limited liability company or other entity are at the time owned by such Person, or (b) the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person and, in the case of this clause (b), which is treated as a consolidated subsidiary for accounting purposes. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

"Subsidiary Guarantor": (x) each Domestic Subsidiary (other than any Excluded Subsidiary) of the Borrower which executes and delivers a Subsidiary Guaranty pursuant to Subsection 7.9 or otherwise, in each case, unless and until such time as the respective Subsidiary Guarantor (a) ceases to constitute a Domestic Subsidiary of the Borrower in accordance with the terms and provisions hereof, (b) is designated an Unrestricted Subsidiary pursuant to the terms of this Agreement or (c) is released from all of its obligations under the Subsidiary Guaranty in accordance with the terms and provisions thereof and (y) each other Subsidiary of the Borrower which the Borrower causes to execute and deliver a Subsidiary Guaranty pursuant to the last sentence of Subsection 7.9(b) or otherwise, in each case, unless and until such time as the respective Subsidiary Guarantor (a) ceases to constitute a Domestic Subsidiary of the Borrower in accordance with the terms and provisions hereof, (b) is designated an Unrestricted Subsidiary pursuant to the terms of this Agreement or (c) is released from all of its obligations under the Subsidiary Guaranty in accordance with the terms and provisions thereof.

"Subsidiary Guaranty": the guaranty of the Term Loan Facility Obligations of the Borrower under the Loan Documents provided pursuant to the Guarantee and Collateral Agreement or pursuant to a guaranty in such other form as may be agreed between the

"**Successor Borrower**": as defined in Subsection 8.7(a)(i).

"**Supplemental Term Loan Commitments**": as defined in Subsection 2.8(a).

"**Supplemental Term Loans**": Term Loans made in respect of Supplemental Term Loan Commitments.

"**Supply Agreement**": the Supply Agreement, dated as of the Closing Date, by and between the Borrower and HD Supply Facilities Maintenance, Ltd. d/b/a USABlueBook, as the same may be amended, supplemented, waived or otherwise modified from time to time.

"**Tax Distributions**": tax distributions to members of Core & Main Connector pursuant to the Borrower Partnership Agreement.

"**Tax Receivables Agreements**": (i) that certain tax receivables agreement entered into in connection with the Tranche B Effective Date Transactions by and among Pubco, Topco, and certain limited partners of Topco and (ii) that certain tax receivables agreement entered into in connection with the Tranche B Effective Date Transactions by and among Pubco, Topco, and certain stockholders of Pubco, in either case of clause (i) or (ii), as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof and hereof.

"**Tax Sharing Agreement**": any Tax Sharing Agreement between the Borrower and any Parent Entity or IPO Vehicle to be entered into at the election of the Borrower in connection with a restructuring of the Borrower, Topco, Midco, Intermediate GP, any other Parent Entity or any IPO Vehicle, on or prior to such restructuring that is substantially in the form of Exhibit V, as the same may be amended from time to time in accordance with the terms thereof and hereof.

"**Taxes**": any and all present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority.

"**Temporary Cash Investments**": any of the following: (i) any investment in (x) direct obligations of the United States of America, Canada, the United Kingdom, Switzerland, a member state of the European Union or any country in whose currency funds are being held pending their application in the making of an investment or capital expenditure by the Borrower or a Restricted Subsidiary in that country or with such funds, or any agency or instrumentality of any thereof, or obligations Guaranteed by the United States of America, Canada, the United Kingdom, Switzerland or a member state of the European Union or any country in whose currency funds are being held pending their application in the making of an investment or capital expenditure by the Borrower or a Restricted Subsidiary in that country or with such funds, or any agency or instrumentality of any of the foregoing, or obligations guaranteed by any of the foregoing or (y) direct obligations of any foreign country recognized by the United States of America rated at least "A" by S&P or "A2" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognized rating organization), (ii) overnight bank deposits, and investments in time deposit accounts, certificates of deposit, bankers' acceptances and money market deposits (or, with respect to foreign banks, similar instruments) maturing not more than one year after the date of acquisition thereof issued by (x) any bank or other institutional lender under this Agreement or any Senior ABL Facility or any affiliate thereof or (y) a bank or trust company that is organized under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America having capital and surplus aggregating in excess of \$250,000,000 (or the foreign currency equivalent thereof) and whose long term debt is rated at least "A" by S&P or "A2" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognized rating organization) at the time such Investment is made, (iii) repurchase obligations for underlying securities or instruments of the types described in clause (i) or (ii) above entered into with a bank meeting the qualifications described in clause (ii) above, (iv) Investments in commercial paper, maturing not more than 24 months after the date of acquisition, issued by a Person (other than that of the Borrower or any of its Subsidiaries), with a rating at the time as of which any Investment therein is made of "P-2" (or higher) according to Moody's or "A-2" (or higher) according to S&P (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognized rating organization), (v) Investments in securities maturing not more than 24 months after the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "BBB-" by S&P or "Baa3" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any nationally recognized rating organization), (vi) Indebtedness or Preferred Stock (other than of the Borrower or any of its Subsidiaries) having a rating of "A" or higher by S&P or "A2" or higher by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any

nationally recognized rating organization), (vii) investment funds investing at least 90.0% of their assets in securities of the type described in clauses (i) through (vi) above (which funds may also hold cash pending investment and/or distribution), (viii) any money market deposit accounts issued or offered by a domestic commercial bank or a commercial bank organized and located in a country recognized by the United States of America, in each case, having capital and surplus in excess of \$250,000,000 (or the foreign currency equivalent thereof), or investments in money market funds subject to the risk limiting conditions of Rule 2a-7 (or any successor rule) of the SEC under the Investment Company Act of 1940, as amended and (ix) similar investments approved by the Board of Directors in the ordinary course of business.

"Term Credit Percentage": as to any Lender at any time, the percentage of the aggregate outstanding Term Loans (if any) of the Lenders and aggregate unused Term Loan Commitments of the Lenders (if any) then constituted by such Lender's outstanding Term Loans (if any) and such Lender's unused Term Loan Commitments (if any).

"Term Loan Commitment": as to any Lender, the aggregate of its Initial Term Loan Commitments, Incremental Term Loan Commitment and Supplemental Term Loan Commitments; collectively as to all Lenders the **"Term Loan Commitments."**

"Term Loan Declined Amount": as defined in [Subsection 4.4\(h\)](#).

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"Term Loan Facility Obligations": obligations 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 interest accruing during (or that would accrue but for) 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, 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.

"Term Loan Priority Collateral": as defined in the ABL/Term Loan Intercreditor Agreement, whether or not the same remains in full force and effect.

"Term Loans": the Initial Term Loans, Incremental Term Loans, Extended Term Loans and Specified Refinancing Term Loans, as the context shall require.

"Term SOFR Administrator": the CME Group Benchmark Administration Limited (CBA) (or any successor administrator of the [Term SOFR Reference Rate](#)).

"Term SOFR Rate"

[\(a\) for any calculation with respect to a Term SOFR Rate Loan, the Term SOFR Reference Rate at approximately 5:00 a.m. \(Chicago time\) \(such time, the "Periodic Term SOFR Determination Time"\) for a tenor comparable to the applicable Interest Period on the day \(such day, the "Periodic Term SOFR Determination Day"\) that is two 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 the Periodic Term SOFR Determination Time on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Term SOFR Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR Rate will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator as of the Periodic Term SOFR Determination Time 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 U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and](#)

[\(b\) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate at approximately 5:00 a.m. \(Chicago time\) \(such time, the "ABR Term SOFR Determination Time"\) for a tenor of one month on the day \(such day, the "ABR Term SOFR Determination Day"\) that is two 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 the ABR Term SOFR Determination Time on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Term SOFR Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR Rate will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator as of the ABR Term SOFR Determination Time 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 U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day;

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provided, further, that if Term SOFR Rate determined as provided above (including pursuant to the proviso under clause (a) or clause (b) above) shall ever be less than (x) with respect to Original Initial Term Loans, 1.00% and (y) with respect to Tranche B Term Loans, 0.00%, then Term SOFR Rate shall be deemed to be (x) with respect to Original Initial Term Loans, 1.00% and (y) with respect to Tranche B Term Loans, 0.00%; provided, further, that with respect to any Term SOFR Rate Loans, for any Interest Period, Term SOFR Rate shall include the Term SOFR Rate Adjustment;

If at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the circumstances set forth in Subsection 4.7(a) have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in Subsection 4.7(a) have not arisen but the Term SOFR Administrator or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which Term SOFR Rate shall no longer be used or be representative for determining interest rates for loans in Dollars (such date, "Term SOFR Replacement Date"), then the Administrative Agent and the Borrower shall endeavor to establish an alternate rate of interest to Term SOFR Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement, including Benchmark Replacement Conforming Changes, as may be applicable (including amendments to the Applicable Margin to preserve the terms of the economic transactions initially agreed to among the Borrowers on the one hand, and the Lenders on the other hand). Notwithstanding anything to the contrary herein, such amendment shall become effective without any further action or consent of any other party to this Agreement.

"Term SOFR Rate Adjustment": with respect to any Term SOFR Rate Loan that is a Tranche B Term Loan, 0.10% per annum;

"Term SOFR Rate Loan": a Loan that bears interest at a rate based on the Term SOFR Rate, other than, for the avoidance of doubt, pursuant to clause (c) of the definition of "Alternate Base Rate";

"Term SOFR Reference Rate": the forward-looking term rate based on SOFR;

"Term SOFR Replacement Date": as defined in the definition of "Term SOFR Rate"

"Topco": Core & Main Holdings, LP, a Delaware limited partnership, and any successor in interest thereto.

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"Topco PIK Notes": 8.625%/9.375% Senior PIK Toggle Notes due 2024 of Topco issued on September 16, 2019, as the same may be exchanged for substantially similar senior PIK toggle notes that have been registered under the Securities Act, and as the same or such substantially similar notes may be amended, supplemented, waived or otherwise modified from time to time.

"Total Credit Percentage": as to any Lender at any time, the percentage which (a) the sum of (i) such Lender's Incremental Revolving Commitment (if any) then outstanding (or, if the Incremental Revolving Commitments have terminated or expired, such Lender's then outstanding Revolving Loans) and (ii) such Lender's then outstanding Term Loans (if any) and such Lender's unused Term Loan Commitments (if any) then outstanding constitutes of (b) the sum of (i) the Incremental Revolving Commitments (if any) of all Lenders then outstanding (or, if the Incremental Revolving Commitments have terminated or expired, such Lender's then outstanding Revolving Loans) and (ii) the aggregate outstanding Term Loans (if any) of all Lenders then outstanding and aggregate unused Term Loan Commitments of all Lenders (if any) then outstanding.

"Trade Payables": with respect to any Person, any accounts payable or any indebtedness or monetary obligation to trade creditors created, assumed or guaranteed by such Person arising in the ordinary course of business in connection with the acquisition of goods or services.

"Trading Price": as defined in Subsection 11.6(m)(iv)(A)(3)(z).

"Tranche": (i) with respect to Term Loans or commitments, refers to whether such Term Loans or commitments are (1) Original Initial Term Loans or Original Initial Term Loan Commitments, (2) Tranche B Term Loans or Tranche B Term Loan Commitments, (3) Incremental Loans or Incremental Term Loan Commitments with the same terms and conditions made on the same day and any Supplemental Term Loans added to such Tranche pursuant to Subsection 2.8, (4) Extended Term Loans (of the same Extension Series) or (5) Specified Refinancing Term Loan Facilities with the same terms and conditions made on the same day and any Supplemental Term Loans added to such Tranche pursuant to Subsection 2.8 (excluding Tranche B Term Loans and Tranche B Term Loan Commitments) and

(ii) with respect to Revolving Loans or commitments, refers to whether such Revolving Loans or commitments are Incremental Revolving Commitments or Incremental Revolving Loans with the same terms and conditions made on the same day pursuant to Subsection 2.8."

"Tranche B Effective Date Transactions": collectively, any or all of the following (whether taking place prior to, on or following the First Amendment Effective Date): (i) the entry into the Reorganization Agreement, the Tax Receivables Agreements and the Exchange Agreement and the consummation of the transactions contemplated thereby, including those transactions described under the caption "The Reorganization Transactions" in the prospectus, dated July 22, 2021, relating to Pubco's registration statement on Form S-1 (Registration No. 333-256382) in the form filed with the SEC pursuant to Rule 424(b) under the Securities Act (including the Pubco Merger Sub Mergers and the Pubco Mergers), (ii) the Pubco IPO, resulting in Pubco issuing certain Capital Stock of Pubco being listed on a nationally recognized stock exchange in the U.S., (iii) the entry into the First Amendment and Incurrence of Tranche B Term Loans (including via an exchange of the Original Initial Term Loans for Tranche B Term Loans) thereunder, (iv) the entry into Amendment No. 3 to the Senior ABL Facility and any Incurrence of Indebtedness thereunder on the First Amendment Effective Date, (v) the repayment of the Original Initial Term Loans held by the Non-Exchanging Term Lenders or exchange by the Exchanging Term Lenders of the Original Initial Term Loans through a cashless rollover pursuant to Subsection 4.4(g), (vi) the repayment of the Senior Notes, the Senior Add-on Notes and the Topco PIK Notes, and (vii) all other transactions relating to any of the foregoing (including payment of fees, premiums and expenses related to any of the foregoing).

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"Tranche B Installment Date": as defined in Subsection 2.2(b)(ii).

"Tranche B Term Lender": any Lender having a Tranche B Term Loan Commitment and/or a Tranche B Term Loan outstanding hereunder.

"Tranche B Term Loan": as defined in Subsection 2.1(b)(i).

"Tranche B Term Loan Commitment": as to any Lender, its obligation to make Tranche B Term Loans to the Borrower pursuant to Subsection 2.1(b) in an aggregate amount not to exceed at any one time outstanding the amount set forth opposite such Lender's name in Schedule A-1 under the heading "Tranche B Term Loan Commitment" or, in the case of any Lender that is an Assignee, the amount of the assigning Lender's Tranche B Term Loan Commitment assigned to such Assignee pursuant to Subsection 11.6(b) (in each case as such amount may be adjusted from time to time as provided herein); collectively, as to all the Lenders, the "Tranche B Term Loan Commitments". The original aggregate amount of the Tranche B Term Loan Commitments on the First Amendment Effective Date, immediately after giving effect to the First Amendment, is \$1,500,000,000.

"Tranche B Term Loan Maturity Date": July 27, 2028.

"Transaction Agreements": collectively, (i) the Plumb Acquisition Agreement, (ii) the CD&R Indemnification Agreement, (iii) the CD&R Consulting Agreement, (iv) the Transition Services Agreement, (v) the Supply Agreement, (vi) the Reorganization Agreement, (vii) the Exchange Agreement and (viii) any agreement primarily providing for indemnification and/or contribution for the benefit of any Permitted Holder in respect of Liabilities resulting from, arising out of or in connection with, based upon or relating to (a) any management, consulting or advisory services, or any financing, underwriting or placement services or other investment banking activities to, for or in respect of any Parent Entity or any of its Subsidiaries, (b) any offering of securities or other financing activity or arrangement of or by any Parent Entity or any of its Subsidiaries or (c) any action or failure to act of or by any Parent Entity or any of its Subsidiaries (or any of their respective predecessors), in each case as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof.

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"Transactions": collectively, any or all of the following (whether taking place prior to, on or following the Closing Date): (i) the entry into the Plumb Acquisition Agreement and the consummation of the transactions contemplated thereby, including (a) the Waterworks Merger, whereby (1) a portion of the proceeds of the transaction financing shall be distributed pro rata to interest holders in Waterworks Opco including the Sellers and Waterworks Blocker and (2) immediately following such distribution, Passthrough Holdings purchases the Sellers' direct interests in Waterworks Opco, (b) the Blocker Merger and (c) the subsequent acquisition by the Borrower from Affiliates of the Sellers of certain assets related to the Waterworks Business, (ii) the conversion of Blocker Holdings into a Delaware limited liability company following the Blocker Merger, (iii) the contribution of Blocker Holdings to Blocker Aggregator following the conversion described in the preceding clause (ii) of this definition, (iv) the entry into the Senior Notes Documents, and the offer and issuance of the Senior Notes, (v) the entry into this Agreement and the other Loan Documents and Incurrence of Indebtedness hereunder, (vi) the entry into the ABL Facility Documents and any Incurrence of Indebtedness thereunder on the Closing Date, (vii) the Equity Contribution and (viii) all other transactions relating to any of the foregoing (including payment of fees and expenses related to any of the foregoing).

"**Transferee**": any Participant or Assignee.

"**Transition Services Agreement**": the Transition Services Agreement, to be dated as of the Closing Date, by and between the Borrower, on behalf of itself and certain of its Affiliates, and HD Supply, Inc., a Delaware corporation (and any successors in interest thereto), on behalf of itself and certain of its subsidiaries, as the same may be amended, supplemented, waived or otherwise modified from time to time.

"**Treasury Capital Stock**": as defined in [Subsection 8.2\(b\)\(i\)](#).

"**Type**": the type of Loan determined based on the interest option applicable thereto, with there being two Types of Loans hereunder, namely ABR Loans and ~~Eurodollar~~ [Term SOFR Rate](#) Loans.

"**UCC**": the Uniform Commercial Code as in effect in the State of New York from time to time.

"**UK Financial Institution**": 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 IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**": the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**United States Person**": any United States person within the meaning of Section 7701(a)(30) of the Code.

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"**Unrestricted Cash**": at any date of determination, without duplication, (a) the aggregate amount of cash, Cash Equivalents and Temporary Cash Investments included in the cash accounts that would be listed on the consolidated balance sheet of the Borrower prepared in accordance with GAAP as of the end of the most recently ended Fiscal Month of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under [Subsection 7.1](#) ending prior to the date of such determination for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under [Subsection 7.1](#)) are available to the extent such cash is not classified as "restricted" for financial statement purposes (unless so classified solely because of any provision under the Loan Documents, the ABL Facility Documents or any other agreement or instrument governing other Indebtedness that is subject to the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement governing the application thereof or because they are subject to a Lien securing the Term Loan Facility Obligations, Obligations under the ABL Facility Documents or other Indebtedness that is subject to the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement), plus (b) cash, Cash Equivalents and Temporary Cash Investments from the proceeds of any capital contribution to the Borrower or from the issuance or sale of its Capital Stock or from any Incurrence of Indebtedness since the end of such Fiscal Month and on or prior to the date of determination (that, in the case of Indebtedness, are in the good faith judgment by the Borrower, which determination shall be conclusive, intended to be used for working capital purposes), plus (c) cash, Cash Equivalents and Temporary Cash Investments that cash collateralize letters of credit issued on behalf of the Borrower or any of its Restricted Subsidiaries, including the proceeds of any Indebtedness being borrowed at the time of determination.

"**Unrestricted Subsidiary**": (i) any Subsidiary of the Borrower that at the time of determination is an Unrestricted Subsidiary, as designated by the Board of Directors in the manner provided below, and (ii) any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate any Subsidiary of the Borrower (including any newly acquired or newly formed Subsidiary of the Borrower) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or owns or holds any Lien on any property of, the Borrower or any other Restricted Subsidiary of the Borrower that is not a Subsidiary of the Subsidiary to be so designated; provided, that (A) such designation was made at or prior to the Closing Date, or (B) the Subsidiary to be so designated has total consolidated assets of \$1,000 or less or (C) if such Subsidiary has consolidated assets greater than \$1,000, then such designation would be permitted under [Subsection 8.2](#) and (D) immediately after such designation, no Event of Default under [Subsection 9.1\(a\)](#) or (f) shall have occurred and be continuing. The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided, that immediately after giving effect to such designation (1) (w) the Borrower could incur at least \$1.00 of additional Indebtedness under [Subsection 8.1\(a\)](#) or [Subsection 8.1\(b\)\(xvii\)](#) or (x) the Consolidated Coverage Ratio would be equal or exceed the Consolidated Coverage Ratio immediately prior to giving effect to such designation or (y) the Consolidated Total Leverage Ratio would be equal or be less than the Consolidated Total Leverage Ratio immediately prior to giving effect to such designation or (z) such Subsidiary shall be a Special Purpose Subsidiary with no Indebtedness outstanding other than Indebtedness that can be Incurred (and upon such designation shall be deemed to be Incurred and outstanding) pursuant to [Subsection 8.1\(b\)](#) and (2) immediately after such designation, no

Event of Default under Subsection 9.1(a) or (f) shall have occurred and be continuing. Any such designation by the Board of Directors shall be evidenced to the Administrative Agent by promptly filing with the Administrative Agent a copy of the resolution of the Borrower's Board of Directors giving effect to such designation and a certificate of a Responsible Officer of the Borrower certifying that such designation complied with the foregoing provisions.

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"U.S. Government Securities Business Day": any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Special Resolution Regime": each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

"U.S. Tax Compliance Certificate": as defined in Subsection 4.11(b)(ii)(2).

"Voting Stock": as to any entity, all classes of Capital Stock of such entity then outstanding and normally entitled to vote in the election of directors or all interests in such entity with the ability to control the management or actions of such entity.

"Waterworks Acquisition": the acquisition by Passthrough Holdings and New Blocker on the Closing Date, in accordance with the Plumb Acquisition Agreement, from the Sellers and Affiliates thereof of the Waterworks Business by means of (i) the Waterworks Merger, (ii) the Blocker Merger and (iii) the subsequent acquisition by the Borrower from Affiliates of the Sellers of certain assets related to the Waterworks Business.

"Waterworks Blocker": HD Supply Waterworks Group, Inc., a Delaware corporation, and any successor in interest thereto.

"Waterworks Business": the operations reflected in the financial statements delivered pursuant to Subsection 6.1(d), including the distribution of complete lines of water and wastewater transmission products, serving contractors and municipalities in the water and wastewater industries for residential and non-residential uses, in the following markets: non-residential, residential, water systems and sewage systems, to the extent operated by the Acquired Companies and its Affiliates; provided, that, "Waterworks Business" does not include any (a) assets or operations of the "USA Blue Book" business of Sellers' Affiliates or (b) corporate level services.

"Waterworks Holdings LLC": CD&R Waterworks Holdings, LLC, a Delaware limited liability company, and any successor in interest thereto.

"Waterworks Holdings LP": CD&R Waterworks Holdings, L.P., a Delaware limited partnership, and any successor in interest thereto.

"Waterworks Merger": the merger of Passthrough Mergersub with and into Waterworks Opco, with Waterworks Opco being the survivor of such merger.

"Waterworks Opco": HD Supply Waterworks, Ltd., a Florida limited partnership, and any successor in interest thereto. As of the First Amendment Effective Date, Waterworks Opco is Core & Main LP, a Florida limited partnership.

"Wholly Owned Domestic Subsidiary": as to any Person, any Domestic Subsidiary of such Person of which such Person owns, directly or indirectly through one or more Wholly Owned Subsidiaries, all of the Capital Stock of such Domestic Subsidiary other than directors qualifying shares or shares held by nominees.

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"Wholly Owned Subsidiary": as to any Person, any Subsidiary of such Person of which such Person owns, directly or indirectly through one or more Wholly Owned Subsidiaries, all of the Capital Stock of such Subsidiary other than directors qualifying shares or shares held by nominees.

"Write-Down and Conversion Powers": (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, the powers of the applicable Resolution Authority in each case 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.

"WW Advisor": CD&R WW Advisor, LLC, Delaware limited liability company, and any successor in interest thereto.

1.2 Other Definitional and Interpretive Provisions.

(a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in any Notes, any other Loan Document or any certificate or other document made or delivered pursuant hereto.

(b) As used herein and in any Notes and any other Loan Document, and any certificate or other document made or delivered pursuant hereto or thereto, accounting terms relating to the Borrower and its Restricted Subsidiaries not defined in Subsection 1.1 and accounting terms partly defined in Subsection 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP.

(c) The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Subsection, Schedule and Exhibit references are to this Agreement unless otherwise specified. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation." Any reference herein to any Person shall be construed to include such Person's successors and assigns permitted hereunder. With respect to any Default or Event of Default, the words "exists," "is continuing" or similar expressions with respect thereto shall mean that such Default or Event of Default has occurred and has not yet been cured or waived. If any Default or Event of Default has occurred hereunder (any such Default or Event of Default, an "Initial Default") and is subsequently cured (a "Cured Default"), any other Default, Event of Default or failure of a condition precedent that resulted or may have resulted from (i) the making or deemed making of any representation or warranty by any Loan Party or (ii) any act or omission by any Loan Party or any Subsidiary of any Loan Party, in each case which subsequent Default, Event of Default or failure would not have arisen had the Cured Default not been continuing at the time of such representation, warranty, action or omission, shall be deemed to automatically be cured or satisfied, as applicable, upon, and simultaneously with, the cure of the Cured Default, so long as at the time of such representation, warranty, action or omission, no Responsible Officer of the Borrower had knowledge of any such Initial Default. To the extent not already so notified, the Borrower will provide prompt written notice of any such automatic cure to the Administrative Agent after a Responsible Officer of the Borrower knows of the occurrence of any such automatic cure. Any time period in this Agreement to cure any actual or alleged Default or Event of Default may be extended or stayed by a court of competent jurisdiction to the extent such actual or alleged Default or Event of Default is the subject of litigation.

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(d) For purposes of determining any financial ratio or making any financial calculation for any fiscal quarter (or portion thereof) ending prior to the Closing Date, the components of such financial ratio or financial calculation shall be determined on a pro forma basis to give effect to the Transactions as if they had occurred at the beginning of such four-quarter period; and each Person that is a Restricted Subsidiary upon giving effect to the Transactions shall be deemed to be a Restricted Subsidiary for purposes of the components of such financial ratio or financial calculation as of the beginning of such four-quarter period.

(e) For purposes of this Agreement for periods ending on or prior to the Closing Date, references to the consolidated financial statements of the Borrower (or any Parent Entity or IPO Vehicle) shall be to the combined financial statements of the Waterworks Business, with pro forma effect being given to the Transactions (with Subsidiaries of the Waterworks Business that are Subsidiaries of the Borrower after giving effect to the Transactions being deemed Subsidiaries of the Borrower), as the context may require, provided that nothing in this clause (e) shall require the delivery of combined or consolidated financial statements or other similar materials for or with respect to the Waterworks Business, except as otherwise specifically required by this Agreement.

(f) Any financial ratios required to be maintained pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (rounding up if there is no nearest number).

(g) Any references in this Agreement to "cash and/or Cash Equivalents", "cash, Cash Equivalents and/or Temporary Cash Investments" or any similar combination of the foregoing shall be construed as not double counting cash or any other applicable amount which would otherwise be duplicated therein.

(h) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

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(i) In connection with any action being taken in connection with a Limited Condition Transaction, for purposes of determining compliance with any provision of this Agreement which requires that no Default, Event of Default or specified Default or Event of Default, as applicable, has occurred, is continuing or would result from any such action, as applicable, such condition shall, at the option of the Borrower, be deemed satisfied, so long as no Default, Event of Default or specified Default or Event of Default, as applicable, exists on the date (x) a definitive agreement for such Limited Condition Transaction is entered into, (y) in connection with an acquisition to which the United Kingdom City Code on Takeovers and Mergers (or any equivalent thereof under the laws, rules or regulations in any other applicable jurisdiction) applies, on which a "Rule 2.7 announcement" of a firm intention to make an offer in respect of a target of a Limited Condition Transaction is made (or the equivalent notice under such equivalent laws, rules or regulations in such other applicable jurisdiction) or (z) notice of redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock is given. For the avoidance of doubt, if the Borrower has exercised its option under the first sentence of this clause (i), and any Default, Event of Default or specified Default or Event of Default, as applicable, occurs following the date (x) a definitive agreement for the applicable Limited Condition Transaction was entered into, (y) in connection with an acquisition to which the United Kingdom City Code on Takeovers and Mergers (or any equivalent thereof under the laws, rules or regulations in any other applicable jurisdiction) applies, on which a "Rule 2.7 announcement" of a firm intention to make an offer in respect of a target of a Limited Condition Transaction is made (or the equivalent notice under such equivalent laws, rules or regulations in such other applicable jurisdiction) or (z) notice of redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock is given and prior to the consummation of such Limited Condition Transaction, any such Default, Event of Default or specified Default or Event of Default, as applicable, shall be deemed to not have occurred or be continuing for purposes of determining whether any action being taken in connection with such Limited Condition Transaction is permitted hereunder.

(j) In connection with any action being taken in connection with a Limited Condition Transaction, for purposes of:

(i) determining compliance with any provision of this Agreement which requires the calculation of the Consolidated Coverage Ratio, the Consolidated Secured Leverage Ratio or the Consolidated Total Leverage Ratio or any other financial measure;

(ii) testing baskets set forth in this Agreement (including baskets measured as a percentage of Consolidated Tangible Assets or Four Quarter Consolidated EBITDA); or

(iii) any other determination as to whether any such Limited Condition Transaction and any related transactions (including any financing thereof) complies with the covenants or agreements contained in this Agreement;

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in each case, at the option of the Borrower (the Borrower's election to exercise such option in connection with any Limited Condition Transaction, an "LCT Election"), the date of determination of whether any such action is permitted hereunder, shall be deemed to be the date (x) a definitive agreement for such Limited Condition Transaction is entered into, (y) in connection with an acquisition to which the United Kingdom City Code on Takeovers and Mergers (or any equivalent thereof under the laws, rules or regulations in any other applicable jurisdiction) applies, on which a "Rule 2.7 announcement" of a firm intention to make an offer in respect of a target of a Limited Condition Transaction is made (or the equivalent notice under such equivalent laws, rules or regulations in such other applicable jurisdiction) or (z) notice of redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock is given, as applicable (the "LCT Test Date"), and if, after giving pro forma effect to the Limited Condition Transaction and the other transactions to be entered into in connection therewith (including any Incurrence or Discharge of Indebtedness and Liens and the use of proceeds thereof) as if they had occurred at the beginning of the most recent four consecutive Fiscal Quarters of the Borrower ending prior to the LCT Test Date for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available, the Borrower could have taken such action on the relevant LCT Test Date in compliance with such ratio, basket or amount, such ratio, basket or amount shall be deemed to have been complied with; provided, that (a) if financial statements for one or more subsequent Fiscal Quarters or Fiscal Years shall have been delivered pursuant to Subsection 7.1(a) or 7.1(b), the Borrower may elect, in its sole discretion, to re-determine all such ratios, baskets or amounts on the basis of such financial statements, in which case, such date of redetermination shall thereafter be deemed to be the applicable LCT Test Date for purposes of such ratios, baskets or amounts and (b) except as contemplated in the foregoing clause (a), compliance with such ratios, baskets or amounts (and any related requirements and conditions) shall not be determined or tested at any time after the applicable LCT Test Date for such Limited Condition Transaction and any actions or transactions related thereto (including any Incurrence or Discharge of Indebtedness and Liens and the use of proceeds thereof). For purposes of determining compliance with any ratio, basket or amount on the applicable LCT Test Date, Consolidated Interest Expense for purposes of the Consolidated Coverage Ratio will be calculated using an assumed interest rate based on the indicative interest margin contained in any financing commitment documentation with respect to such Indebtedness or, if no such indicative interest margin exists, as determined by the

Borrower in good faith, which determination shall be conclusive. For the avoidance of doubt, if the Borrower has made an LCT Election and any of the ratios, baskets or amounts for which compliance was determined or tested as of the LCT Test Date are exceeded as a result of fluctuations in any such ratio, basket or amount, including due to fluctuations in exchange rates or in Consolidated EBITDA or Consolidated Tangible Assets of the Borrower or the Person subject to such Limited Condition Transaction or any applicable currency exchange rate, at or prior to the consummation of the relevant transaction or action, such ratios, baskets or amounts will not be deemed to have been exceeded as a result of such fluctuations. If the Borrower has made an LCT Election for any Limited Condition Transaction, then in connection with any subsequent calculation of any ratio, basket or amount with respect to the Incurrence or Discharge of Indebtedness or Liens, or the making of Restricted Payments, Asset Dispositions, mergers, the conveyance, lease or other transfer of all or substantially all of the assets of the Borrower or the designation of an Unrestricted Subsidiary on or following the relevant LCT Test Date and prior to the earlier of the date on which (1) such Limited Condition Transaction is consummated, (2) the definitive agreement for, or firm offer in respect of, such Limited Condition Transaction (if an acquisition or investment) is terminated or expires without consummation of such Limited Condition Transaction or (3) such notice of redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock is revoked or expires without consummation, any such ratio, basket or amount shall be calculated on a pro forma basis assuming such Limited Condition Transaction and other transactions in connection therewith (including any Incurrence or Discharge of Indebtedness and Liens and the use of proceeds thereof) have been consummated.

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(k) Any reference herein or in any other Loan Document to (i) a transfer, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company or a limited partnership, as applicable, or an allocation of assets to a series of a limited liability company (collectively, a "Division"), as if it were a transfer, assignment, sale or transfer, or similar term, as applicable, to a separate Person, and (ii) a merger, consolidation, amalgamation or consolidation, or similar term, shall be deemed to apply to the division of or by a limited liability company, or an allocation of assets to a series of a limited liability company, or the unwinding of such a division or allocation, as if it were a merger, consolidation, amalgamation or consolidation or similar term, as applicable, with a separate Person.

SECTION 2

Amount and Terms of Commitments

2.1 Initial Term Loans. (a) Subject to the terms and conditions hereof, each Lender holding an Original Initial Term Loan Commitment severally agrees to make, in Dollars, in a single draw on the Closing Date, one or more term loans (each, an "Original Initial Term Loan") to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name in Schedule A under the heading "Original Initial Term Loan Commitment", as such amount may be adjusted or reduced pursuant to the terms hereof, which Original Initial Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or ~~Eurodollar~~Term SOFR Rate Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Original Initial Term Loan Commitment of such Lender.

Without limitation of Subsections 2.8 and 8.1(b)(i), once repaid, Original Initial Term Loans incurred hereunder may not be reborrowed. On the Closing Date (after giving effect to the incurrence of Original Initial Term Loans on such date), the Original Initial Term Loan Commitments of each Lender shall terminate.

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(b)

(i) Subject to the terms and conditions hereof, each Lender listed on Schedule A-1 under the heading "Tranche B Term Loan Commitment" attached hereto (the "New Tranche B Term Lenders") severally agrees to make, in Dollars, in a single draw on the First Amendment Effective Date, one or more term loans (each, a "New Tranche B Term Loan" and, collectively with the term loans representing the Original Initial Term Loans exchanged by the Existing Term Lenders by exercising a cashless rollover pursuant to Subsection 4.4(g), the "Tranche B Term Loans") to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name in Schedule A-1 under the heading "Tranche B Term Loan Commitment", as such amount may be adjusted or reduced pursuant to the terms hereof; provided that Exchanging Term Lenders shall make their respective Tranche B Term Loans by exchanging their Original Initial Term Loans for Tranche B Term Loans constituting Rollover Indebtedness in lieu of their pro rata portion of the prepayment of Original Initial Term Loans pursuant to Subsection 4.4(g).

(ii) Subject to the terms and conditions hereof, on the First Amendment Effective Date, upon execution of the First Amendment by an Existing Term Lender and the indication on such Lender's signature page that such Existing Term Lender elects to exchange, through a cashless rollover pursuant to Subsection 4.4(g), all of such Lender's Original Initial Term Loans for Tranche B Term Loans (each such Existing Term Lender, an "Exchanging Term Lender", and each Existing Term Lender other than an Exchanging Lender, a "Non-Exchanging Term Lender"), the amount of Original Initial Term Loans held by such Exchanging Term Lender (or such lesser amount allocated to such Lender by the Administrative Agent) shall be exchanged for Tranche B Term Loans. For the avoidance of doubt, such Tranche B Term Loans held by an Exchanging Term Lender shall constitute "Rollover Indebtedness" for all purposes under this Agreement.

(iii) The Tranche B Term Loans, except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Term SOFR Rate Loans.

Without limitation of Subsections 2.8 and 8.1(b)(i), once repaid, Tranche B Term Loans incurred hereunder may not be reborrowed. On the First Amendment Effective Date (after giving effect to the incurrence of Tranche B Term Loans on such date), the Tranche B Term Loan Commitments of each Tranche B Term Lender shall terminate.

To the extent any Tranche B Term Loan bearing interest at the Adjusted LIBOR Rate (as such term was defined in this Agreement prior to the Second Amendment Effective Date) is outstanding on the Second Amendment Effective Date, such Tranche B Term Loan shall continue to bear interest at the Adjusted LIBOR Rate until the end of the current Interest Period or payment period applicable to such Loan, provided that, with respect to the Tranche B Term Loans outstanding with an Interest Period ending on February 27, 2023, the Borrower shall be deemed to have provided notice to the Administrative Agent, in accordance with Subsection 4.2, for such Tranche B Term Loans to be converted to Term SOFR Rate Loans with an Interest Period of one-month.

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2.2 Notes. (a) The Borrower agrees that, upon the request to the Administrative Agent by any Lender made on or prior to the Closing Date (in the case of requests relating to Loans other than the Tranche B Term Loans) or the First Amendment Effective Date (in the case of requests relating to the Tranche B Term Loans) or in connection with any assignment pursuant to Subsection 11.6(b), in order to evidence such Lender's Loan, the Borrower shall execute and deliver to such Lender a promissory note substantially in the form of Exhibit A (each, as amended, supplemented, replaced or otherwise modified from time to time, a "Note", and, collectively, the "Notes"), in each case with appropriate insertions therein as to payee, date and principal amount, payable to such Lender and in a principal amount equal to the unpaid principal amount of the applicable Loans made (or acquired by assignment pursuant to Subsection 11.6(b)) by such Lender to the Borrower. Each Note shall be dated the Closing Date; provided, that each Note in respect of a Tranche B Term Loan shall be dated the First Amendment Effective Date. Each Note shall be payable as provided in Subsection 2.2(b) and provide for the payment of interest in accordance with Subsection 4.1.

(b) (i) The Original Initial Term Loans of all the Lenders shall be payable in consecutive quarterly installments beginning on January 26, 2018 up to and including the Original Initial Term Loan Maturity Date (subject to reduction as provided in Subsection 4.4), on the dates (each such date, an "Installment Date") and in the principal amounts, subject to adjustment as set forth below, equal to the respective amounts set forth below (together with all accrued interest thereon) opposite the applicable Installment Dates (or, if less, the aggregate amount of such Original Initial Term Loans then outstanding):

Date	Amount
The last Business Day of each Fiscal Quarter ending prior to the First Lender Joinder Agreement Effective Date	0.25% of the aggregate initial principal amount of the Original Initial Term Loans on the Closing Date
The last Business Day of each Fiscal Quarter ending on or after the First Lender Joinder Agreement Effective Date and prior to the Initial Term Loan Maturity Date	\$3,258,565.99
Initial Term Loan Maturity Date	All unpaid aggregate principal amounts of any outstanding Initial Term Loans

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(ii) The Tranche B Term Loans of all the Lenders shall be payable in consecutive quarterly installments beginning on October 29, 2021 up to and including the Tranche B Term Loan Maturity Date (subject to reduction as provided in Subsection 4.4), on the dates (each such date, a "Tranche B Installment Date") and in the principal amounts, subject to adjustment as set forth below, equal

to the respective amounts set forth below (together with all accrued interest thereon) opposite the applicable Tranche B Installment Dates (or, if less, the aggregate amount of such Tranche B Term Loans then outstanding):

Date	Amount
The last Business Day of each Fiscal Quarter ending prior to the Tranche B Term Loan Maturity Date	0.25% of the aggregate initial principal amount of the Tranche B Term Loans on the First Amendment Effective Date
Tranche B Term Loan Maturity Date	All unpaid aggregate principal amounts of any outstanding Tranche B Term Loans

2.3 Procedure for Initial Term Loan Borrowing. The Borrower shall have given the Administrative Agent notice (which notice must have been received by the Administrative Agent prior to 12:00 P.M., New York City time (or such later time as may be agreed by the Administrative Agent in its reasonable discretion), and shall be revocable at any time prior to funding) one Business Day prior to the Closing Date or the First Amendment Effective Date, as applicable, specifying the amount of the Initial Term Loans to be borrowed by the Borrower. Upon receipt of such notice, the Administrative Agent shall promptly notify each applicable Lender thereof. Each Lender having an Initial Term Loan Commitment will make the amount of its pro rata share of the applicable Initial Term Loan Commitments available to the Administrative Agent, in each case for the account of the Borrower at the office of the Administrative Agent specified in Subsection 11.2 prior to 10:00 A.M., New York City time (or, if the time period for the Borrower's delivery of notice was extended, such later time as agreed to by the Borrower and the Administrative Agent in its reasonable discretion, but in no event less than one hour following notice), on the Closing Date or the First Amendment Effective Date, as applicable, in funds immediately available to the Administrative Agent. The Administrative Agent shall on such date credit the account of the Borrower on the books of the Administrative Agent with the aggregate of the amounts made available to the Administrative Agent by the Lenders and in like funds as received by the Administrative Agent.

2.4 [Reserved].

2.5 Repayment of Loans. (a) The Borrower hereby, unconditionally promises to pay to the Administrative Agent in the currency in which the applicable Loans are denominated for the account of each Lender the then unpaid principal amount of each Initial Term Loan of such Lender made to the Borrower, on the Initial Term Loan Maturity Date (or such earlier date on which the Initial Term Loans become due and payable pursuant to Section 9). The Borrower hereby, further agrees to pay interest (which payments shall be payable in the same currency in which the respective Loan is denominated) on the unpaid principal amount of such Loans from time to time outstanding from the Closing Date until payment in full thereof at the rates per annum, and on the dates, set forth in Subsection 4.1.

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(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of the Borrower to such Lender resulting from each Loan of 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.

(c) The Administrative Agent shall maintain the Register pursuant to Subsection 11.6(b), and a subaccount therein for each Lender, in which shall be recorded (i) the amount of each Loan made hereunder, whether such Loan is a Term Loan, the Type thereof, the Tranche thereof and each Interest Period, if any, applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each applicable Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each applicable Lender's share thereof.

(d) The entries made in the Register and the accounts of each Lender maintained pursuant to Subsection 2.5(c) shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans made to the Borrower by such Lender in accordance with the terms of this Agreement.

2.6 [Reserved].

2.7 [Reserved].

2.8 Incremental Facilities. (a) So long as no Event of Default under Subsection 9.1(a) or (f) exists or would arise therefrom, the Borrower shall have the right (on behalf of itself, or in the case of Incremental Loans the proceeds of which will be subject to an escrow or other similar arrangement, an Escrow Subsidiary (any such Escrow Subsidiary, an "Escrow Borrower")), at any time and from time to time after the Closing Date, (i) to request new term loan commitments under one or more new term loan credit facilities to be included in this Agreement (the "Incremental Term Loan Commitments"), (ii) to increase the Existing Term Loans by requesting new term loan

commitments to be added to an Existing Tranche of Term Loans (the "Supplemental Term Loan Commitments"), (iii) to request new commitments under one or more new revolving facilities to be included in this Agreement (the "Incremental Revolving Commitments"), and (iv) to request new letter of credit facility commitments under one or more new letter of credit facilities to be included in this Agreement (the "Incremental Letter of Credit Commitments" and, together with the Incremental Term Loan Commitments, Supplemental Term Loan Commitments and the Incremental Revolving Commitments, the "Incremental Commitments"), provided that, (i) the aggregate amount of Incremental Commitments permitted pursuant to this Subsection 2.8 shall not exceed, at the time the respective Incremental Commitment becomes effective (and after giving effect to the Incurrence of Indebtedness in connection therewith and the application of proceeds of any such Indebtedness, including to refinance other Indebtedness), an amount that could then be Incurred under this Agreement in compliance with Subsection 8.1(b)(i) and (ii) if any portion of an Incremental Commitment is to be incurred in reliance on clause (ii) of the definition of "Maximum Incremental Facilities Amount", the Chief Financial Officer or a Responsible Officer of the Borrower shall have delivered a certificate to the Administrative Agent, certifying compliance with the financial test set forth in such clause (together with calculations demonstrating compliance with such test). Any loans made in respect of any such Incremental Commitment (other than Supplemental Term Loan Commitments) shall be made by creating a new Tranche. Each Incremental Commitment made available pursuant to this Subsection 2.8 shall be in a minimum aggregate amount of at least \$10,000,000 and in integral multiples of \$5,000,000 in excess thereof (or such lower minimum amounts or multiples as agreed to by the Administrative Agent in its reasonable discretion); provided that such amount may be less than \$10,000,000 if such amount represents the then remaining aggregate principal amount available to be Incurred in compliance with Subsection 8.1(b)(i).

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(b) Each request from the Borrower pursuant to this Subsection 2.8 shall set forth the requested amount and proposed terms of the relevant Incremental Commitments. The Incremental Commitments (or any portion thereof) may be made by any existing Lender or by any other bank or other financial institution (any such other bank or other financial institution, an "Additional Incremental Lender", and the Additional Incremental Lenders together with any existing Lender providing Incremental Commitments, the "Incremental Lenders"); provided that if such Additional Incremental Lender is not already a Lender hereunder or an Affiliate of a Lender hereunder or an Approved Fund, the consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed) shall be required (it being understood that any such Additional Incremental Lender that is an Affiliated Lender shall be subject to the provisions of Subsection 11.6(h), *mutatis mutandis*, to the same extent as if such Incremental Commitments and related Obligations had been obtained by such Lender by way of assignment). The Borrower may agree, in its sole discretion, to accept a lesser amount of any Incremental Commitment than originally requested. In the event there are Lenders and Additional Incremental Lenders that have committed to an Incremental Commitment in excess of the maximum amount requested (or permitted), then the Borrower shall have the right to allocate such commitments on whatever basis the Borrower determines is appropriate.

(c) Supplemental Term Loan Commitments shall become commitments under this Agreement pursuant to a supplement specifying the Tranche of Term Loans to be increased, executed by the Borrower and each increasing Lender substantially in the form attached hereto as Exhibit I-1 or in such other form as may be appropriate in the opinion of the Borrower and the Administrative Agent (the "Increase Supplement") or by each Additional Incremental Lender substantially in the form attached hereto as Exhibit I-2 or in such other form as may be appropriate in the opinion of the Borrower and the Administrative Agent (the "Lender Joinder Agreement"), as the case may be, which shall be delivered to the Administrative Agent for recording in the Register. Upon effectiveness of the Lender Joinder Agreement each Additional Incremental Lender shall be a Lender for all intents and purposes of this Agreement and the term loan made pursuant to such Supplemental Term Loan Commitment shall be a Term Loan. Each Increase Supplement and/or Lender Joinder Agreement may, without the consent of any other Lender, effect such amendments to any Loan Documents (including amendments to Subsection 2.2(b) to increase the amortization payments or interest rate margins thereunder or add customary call protection provisions with respect thereto to allow for the applicable Incremental Loans to be fungible with an existing Tranche of Term Loans hereunder) as may be necessary or appropriate, in the opinion of the Borrower and the Administrative Agent, to effect the provisions of this Subsection 2.8(c).

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(d) Incremental Commitments (other than Supplemental Term Loan Commitments) shall become commitments under this Agreement pursuant to an amendment (an "Incremental Commitment Amendment") to this Agreement and, as appropriate, the other Loan Documents, executed by the Borrower, an Escrow Borrower (if applicable) and each applicable Incremental Lender. An Incremental Commitment Amendment may, without the consent of any other Lender, effect such amendments to any Loan Documents as may be necessary or appropriate, in the opinion of the Borrower and the Administrative Agent, to effect the provisions of this Subsection 2.8; provided, however, that (i) (A) the Incremental Commitments will not be guaranteed by any Subsidiary of the Borrower other than the Subsidiary Guarantors (it being understood that the primary obligation of an Escrow Borrower shall not constitute a guarantee by a Subsidiary that is not a Subsidiary Guarantor), and (other than with respect to proceeds of such Incremental Commitments which are subject to an escrow or other similar arrangement and any related deposit of cash, Cash Equivalents and/or Temporary Cash Investments

to cover interest and premium in respect of such Incremental Commitments) will be secured on a *pari passu* or (at the Borrower's option) junior basis by the same Collateral securing the Term Loan Facility Obligations (so long as any such Incremental Commitments (and related Obligations) are subject to the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement or an Other Intercreditor Agreement, as applicable, or (at the Borrower's option) will be unsecured), (B) the Incremental Commitments and any incremental loans drawn thereunder (the "Incremental Loans") shall rank *pari passu* in right of payment with or (at the Borrower's option) junior to the Term Loan Facility Obligations and (C) no Incremental Commitment Amendment may provide for (I) any Incremental Commitment or any Incremental Loans to be secured by any Lien on any asset (other than proceeds of Incremental Loans which are subject to an escrow or similar arrangement and any related deposit of cash, Cash Equivalents and/or Temporary Cash Investments to cover interest and premium in respect of such Incremental Loans) of any Loan Party that does not also secure the Term Loan Facility Obligations and (II) so long as any Initial Term Loans are outstanding, any mandatory prepayment from the Net Available Cash of Asset Dispositions (other than any Asset Disposition in respect of any assets, business or Person the acquisition of which was financed, all or in part, with Incremental Loans provided pursuant to such Incremental Commitment Amendment and the disposition of which was contemplated by any definitive agreement in respect of such acquisition) or Recovery Event or from Excess Cash Flow, to the extent the Net Available Cash of such Asset Disposition or Recovery Event or such Excess Cash Flow are required to be applied to repay the Initial Term Loans pursuant to Subsection 4.4(e), on more than a ratable basis with the Initial Term Loans (after giving effect to any amendment in accordance with Subsection 11.1(d)(vi)); (ii) no Lender will be required to provide any such Incremental Commitment unless it so agrees; (iii) [reserved]; (iv) the maturity date and the weighted average life to maturity of any Incremental Term Loan Commitments shall be no earlier than or shorter than, as the case may be, the Initial Term Loan Maturity Date or the remaining weighted average life to maturity of the Initial Term Loans, as applicable (other than an earlier maturity date and/or shorter weighted average life to maturity (1) for customary bridge financings, which, subject to customary conditions (as determined by the Borrower in good faith, which determination shall be conclusive), would either be automatically converted into or required to be exchanged for permanent financing which does not provide for an earlier maturity date or a shorter weighted average life to maturity than the Initial Term Loan Maturity Date or the remaining weighted average life to maturity of the Initial Term Loans, as applicable, (2) pursuant to an escrow or similar arrangement with respect to the proceeds of such Incremental Term Loans or (3) of Indebtedness under any Incremental Term Loan Commitments in an aggregate principal amount at any time outstanding (together with the aggregate principal amount of any Additional Obligations, any Refinancing Indebtedness and Indebtedness under any Specified Refinancing Term Loan Facility and any applicable Extended Tranche, in each case outstanding under the Earlier Maturity Date Basket) not in excess of the Earlier Maturity Date Basket); (v) the interest rate margins and (subject to clause (iv) above) amortization schedule applicable to the loans made pursuant to the Incremental Commitments shall be determined by the Borrower and the applicable Incremental Lenders; provided that in the event that the applicable interest rate margins for any syndicated floating rate Incremental Term Loans denominated in Dollars, the principal amount of which exceeds the MFN Threshold Amount, that are secured on a *pari passu* basis by the Collateral securing the First Lien Obligations, with a Stated Maturity that is earlier than 12 months following the Tranche B Term Loan Maturity Date, Incurred by the Borrower pursuant to the Ratio Incremental Facility, made on or prior to the 12-month anniversary of the First Amendment Effective Date and not Incurred to finance or refinance, or otherwise in connection with, any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary, or any other Investment, are higher than the applicable interest rate margin for the Tranche B Term Loans by more than 75 basis points, then the effective interest rate margin for the applicable Tranche B Term Loans at the time such Incremental Commitments become effective (the "Existing Interest Rate") shall be increased to the extent necessary so that the Existing Interest Rate is equal to the applicable interest rate margins for such Incremental Term Loan Commitment minus 75 basis points (the "Adjusted Interest Rate", and the number of basis points by which the Existing Interest Rate is increased, the "Increased Amount"); provided, further that, in determining the applicable interest rate margins for the applicable Tranche B Term Loans and the Incremental Term Loans, (A) original issue discount ("OID") or upfront fees payable generally to all participating Lenders in lieu of OID (which shall be deemed to constitute like amounts of OID) payable by the Borrower to the Lenders under such Tranche B Term Loans or any Incremental Term Loan, as applicable, in the initial primary syndication thereof shall be included (with OID and upfront fees being equated to interest rate based on an assumed four-year life to maturity) (provided that, if such Tranche B Term Loans are issued in a manner such that all such Tranche B Term Loans were not issued with a uniform amount of OID or upfront fees within the applicable Tranche of Tranche B Term Loans, the amount of OID and upfront fees attributable to the entire Tranche of Tranche B Term Loans shall be determined on a weighted average basis); (B) any arrangement or structuring fees payable in connection with the Incremental Term Loans or any other fees payable in connection with the Incremental Term Loans (other than, in the case of syndicated Incremental Term Loans, and only if such fees are shared with all Additional Incremental Lenders providing such syndicated Incremental Term Loans) shall, in each case, be excluded; (C) any amendments to the Applicable Margin or effective interest rate margin on the applicable Tranche B Term Loans that became effective subsequent to the First Amendment Effective Date but prior to the effective time of such Incremental Term Loans shall also be included in such calculations, (D) if the Incremental Term Loans include an interest rate floor greater than the interest rate floor applicable to the applicable Tranche B Term Loans, such increased amount shall be equated to the applicable interest rate margin for purposes of determining whether an increase to the Applicable Margin for such Tranche B Term Loans shall be required, to the extent an increase in the interest rate floor for such Tranche B Term Loans would cause an increase in the interest rate then in effect thereunder,

and in such case the interest rate floor (but not the Applicable Margin) applicable to such Tranche B Term Loans shall be increased by such amount to the extent necessary

to adjust the applicable Existing Interest Rate to be equal to the applicable Adjusted Interest Rate, (E) if the Incremental Term Loans include an interest rate floor lower than the interest rate floor applicable to the applicable Tranche of Tranche B Term Loans or do not include any interest rate floor, to the extent a reduction in the interest rate floor for such Tranche B Term Loans would cause a reduction in the interest rate then in effect thereunder, an amount equal to the difference between the interest rate floor applicable to the Tranche B Term Loans and the interest rate floor applicable to such Incremental Term Loans (which shall be deemed to equal 0% for any Incremental Term Loans without any interest rate floor), but which in any event shall not exceed the maximum amount by which a reduction in the interest rate floor applicable to the Tranche B Term Loans would cause a reduction in the interest rate then in effect thereunder, shall reduce the applicable interest rate margin of the applicable Incremental Term Loans for purposes of determining whether an increase in the Existing Interest Rate shall be required and (F) if the applicable Tranche of Tranche B Term Loans includes a pricing grid the interest rate margins in such pricing grid which are not in effect at the time the applicable Incremental Commitments become effective shall also each be increased by an amount equal to the Increased Amount; (vi) such Incremental Commitment Amendment may provide (1) for the inclusion, as appropriate, of Additional Incremental Lenders in any required vote or action of the Required Lenders or of the Lenders of each Tranche hereunder, (2) class voting and other class protections for any additional credit facilities, (3) for the amendment of the definitions of "Additional Obligations", "Disqualified Stock", "Junior Capital" and "Refinancing Indebtedness" and Subsection 8.8(b), in each case only to extend the maturity date and the weighted average life to maturity requirements, from the Initial Term Loan Maturity Date and remaining weighted average life to maturity of the Initial Term Loans to the extended maturity date and the remaining weighted average life to maturity of such Incremental Term Loans, as applicable, (4) in the case of an Incremental Revolving Commitment or an Incremental Letter of Credit Commitment, provide for amendments and modifications necessary or desirable to account for the Incremental Revolving Commitments and Incremental Letter of Credit Commitments to be included in this Agreement, in each case on terms agreed by the Borrower and the Lenders providing such Commitments (including any swingline lender or issuing lender) and with the consent of the Administrative Agent (not to be unreasonably withheld, conditioned or delayed) and (5) for the amendment of clause (iii) of the definition of "Additional Obligations" to provide for the applicable mandatory prepayment protections to apply to such Incremental Term Loans; and (vii) the other terms and documentation in respect thereof, to the extent not consistent with this Agreement as in effect prior to giving effect to the Incremental Commitment Amendment, shall otherwise be reasonably satisfactory to the Borrower; provided that to the extent such terms and documentation are not consistent with, in the case of Incremental Term Loans, the terms and documentation governing the Initial Term Loans (except to the extent permitted by clauses (iv), (v) or (vi) above), they shall be reasonably satisfactory to the Borrower and the Administrative Agent.

2.9 Permitted Debt Exchanges. (a) Notwithstanding anything to the contrary contained in this Agreement, pursuant to one or more offers (each, a "Permitted Debt Exchange Offer") made from time to time by the Borrower to all Lenders (other than any Lender that, if requested by the Borrower, is unable to certify that it is either a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) or an institutional "accredited investor" (as defined in Rule 501 under the Securities Act)) with outstanding Term Loans of a particular Tranche, as selected by the Borrower, the Borrower may from time to time following the Closing Date consummate one or more exchanges of Term Loans of such Tranche for Additional Obligations in the form of notes (such notes, "Permitted Debt Exchange Notes", and each such exchange a "Permitted Debt Exchange"), so long as the following conditions are satisfied: (i) the aggregate principal amount (calculated on the face amount thereof) of Term Loans exchanged shall be equal to or more than the aggregate principal amount (calculated on the face amount thereof) of Permitted Debt Exchange Notes issued in exchange for such Term Loans, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) incurred or payable in connection with such exchange, (ii) the aggregate principal amount (calculated on the face amount thereof) of all Term Loans exchanged by the Borrower pursuant to any Permitted Debt Exchange shall automatically be cancelled and retired by the Borrower on the date of the settlement thereof (and, if requested by the Administrative Agent, any applicable exchanging Lender shall execute and deliver to the Administrative Agent an Assignment and Acceptance, or such other form as may be reasonably requested by the Administrative Agent, in respect thereof pursuant to which the respective Lender assigns its interest in the Term Loans being exchanged pursuant to the Permitted Debt Exchange to the Borrower for immediate cancellation), (iii) if the aggregate principal amount of all Term Loans (calculated on the face amount thereof) tendered by Lenders in respect of the relevant Permitted Debt Exchange Offer (with no Lender being permitted to tender a principal amount of Term Loans which exceeds the principal amount of the applicable Tranche actually held by it) shall exceed the maximum aggregate principal amount of Term Loans offered to be exchanged by the Borrower pursuant to such Permitted Debt Exchange Offer, then the Borrower shall exchange Term Loans subject to such Permitted Debt Exchange Offer tendered by such Lenders ratably up to such maximum amount based on the respective principal amounts so tendered, (iv) each such Permitted Debt Exchange Offer shall be made on a pro rata basis to the Lenders (other than any Lender that, if requested by the Borrower, is unable to certify that it is either a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) or an institutional "accredited investor" (as defined in Rule 501 under the Securities Act)) based on their respective aggregate principal amounts of outstanding Term

Loans of the applicable Tranche, (v) all documentation in respect of such Permitted Debt Exchange shall be consistent with the foregoing and all written communications generally directed to the Lenders in connection therewith shall be in form and substance consistent with the foregoing and made in consultation with the Administrative Agent and (vi) any applicable Minimum Exchange Tender Condition shall be satisfied. Notwithstanding anything to the contrary herein, no Lender shall have any obligation to agree to have any of its Loans exchanged pursuant to any Permitted Debt Exchange Offer.

(b) With respect to all Permitted Debt Exchanges effected by the Borrower pursuant to this Subsection 2.9, (i) such Permitted Debt Exchanges (and the cancellation of the exchanged Term Loans in connection therewith) shall not constitute voluntary or mandatory payments or prepayments for purposes of Subsection 4.4 and (ii) such Permitted Debt Exchange Offer shall be made for not less than \$5,000,000 in aggregate principal amount of Term Loans (or, in each case, such lower principal amount as agreed to by the Administrative Agent in its reasonable discretion), provided that subject to the foregoing clause (ii), the Borrower may at its election specify as a condition (a "Minimum Exchange Tender Condition") to consummating any such Permitted Debt Exchange that a minimum amount (to be determined and specified in the relevant Permitted Debt Exchange Offer in the Borrower's discretion) of Term Loans be tendered.

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(c) In connection with each Permitted Debt Exchange, the Borrower shall provide the Administrative Agent at least five Business Days' (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and the Borrower and the Administrative Agent, acting reasonably, shall mutually agree to such procedures as may be necessary or advisable to accomplish the purposes of this Subsection 2.9 and without conflict with Subsection 2.9(d); provided that the terms of any Permitted Debt Exchange Offer shall provide that the date by which the relevant Lenders are required to indicate their election to participate in such Permitted Debt Exchange shall be not less than five Business Days following the date on which the Permitted Debt Exchange Offer is made (or such shorter period as may be agreed to by the Administrative Agent in its reasonable discretion).

(d) The Borrower shall be responsible for compliance with, and hereby agrees to comply with, all applicable securities and other laws in connection with each Permitted Debt Exchange, it being understood and agreed that (x) neither the Administrative Agent nor any Lender assumes any responsibility in connection with the Borrower's compliance with such laws in connection with any Permitted Debt Exchange (other than the Borrower's reliance on any certificate delivered by a Lender pursuant to Subsection 2.9(a) above for which such Lender shall bear sole responsibility) and (y) each Lender shall be solely responsible for its compliance with any applicable "insider trading" laws and regulations to which such Lender may be subject under the Exchange Act.

2.10 Extension of Term Loans. (a) The Borrower may at any time and from time to time request that all or a portion of the Term Loans of one or more Tranches (including any Extended Term Loans) existing at the time of such request (each, an "Existing Term Tranche" or "Existing Tranche" and the Term Loans of such Tranche, the "Existing Term Loans" or the "Existing Loans") be converted to extend the scheduled maturity date(s) of any payment of principal or scheduled termination date(s) of any commitments, as applicable, with respect to all or a portion of any principal or committed amount of any Existing Tranche (any such Existing Tranche which has been so extended, an "Extended Term Tranche" or "Extended Tranche", and the Term Loans of such Extended Tranches, the "Extended Term Loans" or the "Extended Loans") and to provide for other terms consistent with this Subsection 2.10; provided that (i) any such request shall be made by the Borrower to all Lenders with Term Loans with a like maturity date (whether under one or more Tranches) on a pro rata basis (based on the aggregate outstanding principal amount of the applicable Term Loans), and (ii) any applicable Minimum Extension Condition shall be satisfied unless waived by the Borrower. In order to establish any Extended Tranche, the Borrower shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Existing Tranche) (an "Extension Request") setting forth the proposed terms of the Extended Tranche to be established, which terms shall be identical to those applicable to the Existing Tranche from which they are to be extended (the "Specified Existing Tranche"), except (x) all or any of the final maturity dates of such Extended Tranches may be delayed to later dates than the final maturity dates of the Specified Existing Tranche, (y) (A) the interest margins with respect to the Extended Tranche may be higher or lower than the interest margins for the Specified Existing Tranche and/or (B) additional fees may be payable to the Lenders providing such Extended Tranche in addition to or in lieu of any increased margins contemplated by the preceding clause (A), in each case to the extent provided in the applicable Extension Amendment, and (z) amortization with respect to the Extended Term Tranche may be greater or lesser than amortization for the Specified Existing Tranche, so long as the Extended Term Tranche does not have a weighted average life to maturity shorter than the remaining weighted average life to maturity of the Specified Existing Tranche (provided that any applicable Extended Tranche may have an earlier maturity date and/or shorter weighted average life to maturity (1) in the case of customary bridge financings, which, subject to customary conditions (as determined by the Borrower in good faith, which determination shall be conclusive), would either be automatically converted into or required to be exchanged for permanent financing which does not provide for such earlier maturity date or such shorter weighted average life to maturity, (2) pursuant to an escrow or similar arrangement with respect to the proceeds of such Extended Tranche or (3) if the aggregate principal amount of such applicable Extended Tranche at any time outstanding (together with the aggregate principal amount of any Additional Obligations, any Refinancing Indebtedness and Indebtedness under any Incremental Term Loan Commitments and any Specified Refinancing Term Loan Facility, in each case outstanding under the Earlier Maturity Date Basket) does not exceed the

Earlier Maturity Date Basket); provided that, notwithstanding anything to the contrary in this Subsection 2.10 or otherwise, assignments and participations of Extended Tranches shall be governed by the same or, at the Borrower's discretion, more restrictive assignment and participation provisions than the assignment and participation provisions applicable to Initial Term Loans set forth in Subsection 11.6. No Lender shall have any obligation to agree to have any of its Existing Loans converted into an Extended Tranche pursuant to any Extension Request. Any Extended Tranche shall constitute a separate Tranche of Term Loans from the Specified Existing Tranches and from any other Existing Tranches (together with any other Extended Tranches so established on such date).

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(b) The Borrower shall provide the applicable Extension Request at least five Business Days (or such shorter period as the Administrative Agent may agree in its reasonable discretion) prior to the date on which Lenders under the applicable Existing Tranche(s) are requested to respond. Any Lender (an "Extending Lender") wishing to have all or a portion of its Specified Existing Tranche converted into an Extended Tranche shall notify the Administrative Agent (each, an "Extension Election") on or prior to the date specified in such Extension Request of the amount of its Specified Existing Tranche that it has elected to convert into an Extended Tranche. In the event that the aggregate amount of the Specified Existing Tranche subject to Extension Elections exceeds the amount of Extended Tranches requested pursuant to the Extension Request, the Specified Existing Tranches subject to Extension Elections shall be converted to Extended Tranches on a pro rata basis based on the amount of Specified Existing Tranches included in each such Extension Election. In connection with any extension of Term Loans pursuant to this Subsection 2.10 (each, an "Extension"), the Borrower shall agree to such procedures regarding timing, rounding and other administrative adjustments to ensure reasonable administrative management of the credit facilities hereunder after such Extension, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Subsection 2.10. The Borrower may amend, revoke or replace an Extension Request pursuant to procedures reasonably acceptable to the Administrative Agent at any time prior to the date (the "Extension Request Deadline") on which Lenders under the applicable Existing Term Tranche are requested to respond to the Extension Request. Any Lender may revoke an Extension Election at any time prior to 5:00 P.M. on the date that is two Business Days prior to the Extension Request Deadline, at which point the Extension Election becomes irrevocable (unless otherwise agreed by the Borrower). The revocation of an Extension Election prior to the Extension Request Deadline shall not prejudice any Lender's right to submit a new Extension Election prior to the Extension Request Deadline.

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(c) Extended Tranches shall be established pursuant to an amendment (an "Extension Amendment") to this Agreement (which may include amendments to (i) provisions related to maturity, interest margins, fees or amortization referenced in clauses (x) through (z) of Subsection 2.10(a), (ii) the definitions of "Additional Obligations", "Disqualified Stock", "Junior Capital" and "Refinancing Indebtedness" and Subsection 8.8(b) to amend the maturity date and the weighted average life to maturity requirements, from the Initial Term Loan Maturity Date and remaining weighted average life to maturity of the Initial Term Loans to the extended maturity date and the remaining weighted average life to maturity of such Extended Tranche, as applicable and (iii) clause (iii) of the definition of "Additional Obligations" to provide for the applicable mandatory prepayment protections to apply to such Extended Term Tranche, and which in each case, except to the extent expressly contemplated by the third to last sentence of this Subsection 2.10(c) and notwithstanding anything to the contrary set forth in Subsection 11.1, shall not require the consent of any Lender other than the Extending Lenders with respect to the Extended Tranches established thereby) executed by the Loan Parties, the Administrative Agent, and the Extending Lenders. No Extension Amendment shall provide for any Extended Tranche in an aggregate principal amount that is less than \$10,000,000 (or, in each case, such lower principal amount as agreed to by the Administrative Agent in its reasonable discretion) 2.1(h). Notwithstanding anything to the contrary in this Agreement and without limiting Section 2.1(h), if the generality or applicability Holder submits an Election of Subsection 11.1 Exchange pursuant to any Subsection 2.10 Additional Amendments, any Extension Amendment may provide for additional terms and/or additional amendments other than those referred to or contemplated above (any such additional amendment, a "Subsection 2.10 Additional Amendment") to Section 2.1(c) of this Agreement that is contingent upon a future transaction, the Liquidation Adjustment will be settled through use of an Initial True-Up Amount and a True-Up Adjustment Amount. If the other Loan Documents; provided that such Subsection 2.10 Additional Amendments do not become effective prior per share price used by IPOco to determine the time that such Subsection 2.10 Additional Amendments have been consented to (including pursuant to consents applicable to holders of any Extended Tranches provided for in any Extension Amendment) by such of the Lenders, Loan Parties and other parties (if any) as may be required in order for such Subsection 2.10 Additional Amendments to become effective in accordance with Subsection 11.1; provided, further, that no Extension Amendment may provide for any Extended Tranche to be secured by any Collateral or other assets of any Loan Party that does not also secure the Specified Existing Tranche. It is understood and agreed that each Lender has consented for all purposes requiring its consent, and shall at the effective time thereof be deemed to consent to each amendment to this Agreement and the other Loan Documents authorized by this Subsection 2.10 and the arrangements described above in connection therewith except that the foregoing shall not constitute a consent on behalf of any Lender to the terms of any Subsection 2.10 Additional Amendment.

(d) Notwithstanding anything to the contrary contained in this Agreement, on any date on which any Existing Tranche is converted to extend the related scheduled maturity date(s) in accordance with clause (a) above (an "Extension Date"), in the case of the Specified Existing Tranche of each Extending Lender, the aggregate principal amount of such Specified Existing Tranche shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Tranche so converted by such Lender on such date, and such Extended Tranches shall be established as a separate Tranche from the Specified Existing Tranche and from any other Existing Tranches (together with any other Extended Tranches so established on such date).

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(e) If, Initial True-up Amount in connection with any proposed Extension Amendment, any Lender declines to consent to the applicable extension on the terms and a contingent Election of Exchange tendered by the deadline set forth in the applicable Extension Request (each such other Lender, a "Non-Extending Lender") then the Borrower may, on notice to the Administrative Agent and the Non-Extending Lender, (i) replace such Non-Extending Lender by causing such Lender to (and such Lender shall be obligated to) assign Holder pursuant to Subsection 11.6 (with the assignment fee and any other costs and expenses to be paid by the Borrower in such instance) all of its rights and obligations under this Agreement to one or more assignees; provided that neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to find a replacement Lender; provided, further, that the applicable assignee shall have agreed to provide Extended Loans on the terms set forth in such Extension Amendment; and provided, further, that all obligations of the Borrower owing to the Non-Extending Lender relating to the Existing Loans so assigned shall be paid in full by the assignee Lender (or, at its option, the Borrower) to such Non-Extending Lender concurrently with such Assignment and Acceptance or (ii) if no Event of Default exists under Subsection 9.1(a) or (f), upon notice to the Administrative Agent, prepay the Existing Loans in whole or in part, subject to Subsection 4.12, without premium or penalty. In connection with any such replacement under this Subsection 2.10, if the Non-Extending Lender does not execute and deliver to the Administrative Agent a duly completed Assignment and Acceptance and/or any other documentation necessary to reflect such replacement by the later of (A) the date on which the replacement Lender executes and delivers such Assignment and Acceptance and/or such other documentation and (B) the date as of which all obligations of the Borrower owing to the Non-Extending Lender relating to the Existing Loans so assigned shall be paid in full by the assignee Lender (or, at its option, the Borrower) to such Non-Extending Lender, then such Non-Extending Lender shall be deemed to have executed and delivered such Assignment and Acceptance and/or such other documentation as of such date, the Administrative Agent shall record such assignment in the Register and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Acceptance and/or such other documentation on behalf of such Non-Extending Lender.

(f) Following any Extension Date, with the written consent of the Borrower, any Non-Extending Lender may elect to have all or a portion of its Existing Loans deemed to be an Extended Loan under the applicable Extended Tranche on any date (each date a "Designation Date") prior to the maturity date of such Extended Tranche; provided that such Lender shall have provided written notice to the Borrower and the Administrative Agent at least 10 Business Days prior to such Designation Date (or such shorter period as the Administrative Agent may agree in its reasonable discretion). Following a Designation Date, the Existing Loans held by such Lender so elected to be extended will be deemed to be Extended Loans of the applicable Extended Tranche, and any Existing Loans held by such Lender not elected to be extended, if any, shall continue to be "Existing Loans" of the applicable Tranche.

(g) With respect to all Extensions consummated by the Borrower pursuant to this Subsection 2.10, (i) such Extensions shall not constitute optional or mandatory payments or prepayments for purposes of Subsection 4.4 and (ii) no Extension Request is required to be in any minimum amount or any minimum increment, 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 Request in the Borrower's sole discretion and which may be waived by the Borrower) of Existing Loans of any or all applicable Tranches be extended. The Administrative Agent and the Lenders hereby consent to the transactions contemplated by this Subsection 2.10 (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Loans on such terms as may be set forth in the relevant Extension Request) and hereby waive the requirements of any provision Section 2.1(c) of this Agreement (including Subsections 4.4 and 4.8) differs from the Transaction Price, then any shares of Class A Common Stock paid to or any other Loan Document that may otherwise prohibit any such Extension or any other transaction contemplated by this Subsection 2.10.

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2.11 Specified Refinancing Facilities. (a) The Borrower may, withheld from time to time, add one or more new term loan facilities (the "Specified Refinancing Term Loan Facilities") to the Facilities to refinance all or any portion of any Tranche of Term Loans then outstanding under this Agreement; provided that (i) the Specified Refinancing Facilities will not be guaranteed by any Subsidiary of the Borrower other than the Subsidiary Guarantors, and will be secured on a *pari passu* or (at the Borrower's option) junior basis by the same Collateral securing the Term Loan Facility Obligations (so long as any applicable Specified Refinancing Amendments (and related Obligations) are subject to the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement or an Other Intercreditor Agreement) or (at the Borrower's option) will be unsecured, (ii) the Specified Refinancing Term Loan Facilities and any term loans drawn

thereunder (the "Specified Refinancing Term Loans") shall rank *pari passu* in right of payment with or (at the Borrower's option) junior to the Term Loan Facility Obligations, (iii) no Specified Refinancing Amendment may provide for any Specified Refinancing Facility or any Specified Refinancing Loans to be secured by any Collateral or other assets of any Loan Party that do not also secure the Term Loan Facility Obligations, (iv) the Specified Refinancing Facilities will have such pricing, amortization (subject to clause (vi) below) and optional and mandatory prepayment terms as may be agreed by the Borrower and the applicable Lenders thereof, (v) [reserved], (vi) the maturity date and the weighted average life to maturity of any Specified Refinancing Term Loan Facility shall be no earlier than or shorter than, as the case may be, the Maturity Date of the Tranche of Term Loans being refinanced or the remaining weighted average life to maturity of the Term Loans being refinanced, as applicable (other than an earlier maturity date and/or shorter weighted average life to maturity (1) for customary bridge financings, which, subject to customary conditions (as determined by the Borrower in good faith, which determination shall be conclusive), would either be automatically converted into or required to be exchanged for permanent financing which does not provide for an earlier maturity date or a shorter weighted average life to maturity than the Maturity Date of the Tranche of Term Loans being refinanced or the remaining weighted average life to maturity of the Term Loans being refinanced, as applicable, (2) pursuant to an escrow or similar arrangement with respect to the proceeds of such Specified Refinancing Term Loans or (3) of Indebtedness under any Specified Refinancing Term Loan Facility in an aggregate principal amount at any time outstanding (together with any Additional Obligations, any Refinancing Indebtedness and Indebtedness under any Incremental Term Loan Commitments and any applicable Extended Tranche, in each case outstanding under the Earlier Maturity Date Basket) not in excess of the Earlier Maturity Date Basket), (vii) the Net Cash Proceeds of such Specified Refinancing Facility shall be applied, substantially concurrently with the incurrence thereof, to the pro rata prepayment of outstanding Loans being so refinanced, in each case pursuant to Subsection 4.4 (including prepayments made with an exchange of Rollover Indebtedness under the applicable Specified Refinancing Facility as provided for in the final sentence of Subsection 4.4(g)); and (viii) the Specified Refinancing Facilities shall not have a principal or commitment amount greater than the Loans being refinanced plus the aggregate amount of all fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) incurred or payable Holder in connection with such refinancing.

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(b) Each request from the Borrower pursuant to this Subsection 2.11 shall set forth the requested amount and proposed terms of the relevant Specified Refinancing Facility. The Specified Refinancing Facilities (or Initial True-up Amount, if any, portion thereof) may be made by any existing Lender or by any other bank or financial institution (any such bank or other financial institution, an "Additional Specified Refinancing Lender", and the Additional Specified Refinancing Lenders together with any existing Lender providing Specified Refinancing Facilities, the "Specified Refinancing Lenders"); provided that if such Additional Specified Refinancing Lender is not already a Lender hereunder or an Affiliate of a Lender hereunder or an Approved Fund, the consent of the Administrative Agent and (such consent not to be unreasonably withheld, conditioned or delayed) shall be required (it being understood that any such Additional Specified Refinancing Lender that is an Affiliated Lender shall be subject to a further adjustment by IPOco using the provisions of Subsection 11.6(h), *mutatis mutandis*, True-up Adjustment Amount in order to the same extent as if such Specified Refinancing Facilities and related Obligations had been obtained by such Lender by way of assignment).

(c) Specified Refinancing Facilities shall become facilities under this Agreement pursuant to a Specified Refinancing Amendment to this Agreement and, as appropriate, the other Loan Documents, executed by the Borrower and each applicable Specified Refinancing Lender. Any Specified Refinancing Amendment may, without the consent of any other Lender, effect such amendments to any Loan Documents as may be necessary or appropriate, in the opinion of the Borrower and the Administrative Agent, to effect the provisions of this Subsection 2.11, in each case on terms consistent with this Subsection 2.11.

(d) Any loans made in respect of any such Specified Refinancing Facility shall be made by creating a new Tranche. Each Specified Refinancing Facility made available pursuant to this Subsection 2.11 shall be in a minimum aggregate amount of at least \$10,000,000 and in integral multiples of \$5,000,000 in excess thereof (or, such lower minimum amounts or multiples as agreed to by the Administrative Agent in its reasonable discretion).

(e) The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Specified Refinancing Amendment. Each of the parties hereto hereby agrees that, upon the effectiveness of any Specified Refinancing Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary or appropriate to properly reflect the existence and terms of the Specified Refinancing Facilities incurred pursuant thereto (including the addition of such Specified Refinancing Facilities as separate "Facilities" and "Tranches" hereunder and treated in a manner consistent with the Facilities being refinanced, including for purposes of prepayments and voting). Any Specified Refinancing Amendment may, without the consent of any Person other than the Borrower, the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed) and the Lenders providing such Specified Refinancing Facilities, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the provisions of this Subsection 2.11.

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SECTION 3

[Reserved]

SECTION 4

General Provisions Applicable to Loans

4.1 Interest Rates and Payment Dates. (a) Each Eurodollar Term SOFR Rate Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Adjusted LIBOR Term SOFR Rate determined for such day plus the Applicable Margin in effect for such day.

(b) Each ABR Loan shall bear interest for each day that it is outstanding at a rate per annum equal to the Alternate Base Rate in effect for such day plus the Applicable Margin in effect for such day.

(c) [Reserved].

(d) [Reserved].

(e) If all or a portion of (i) the principal amount of any Loan, (ii) any interest payable thereon or (iii) any other amount payable hereunder shall not be paid when due (whether at the Stated Maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum which is (x) in the case of overdue principal, the rate that would otherwise be applicable thereto pursuant to the relevant foregoing provisions of this Subsection 4.1, plus 2.00%, (y) in the case of overdue interest, the rate that would otherwise be applicable to principal of the related Loan pursuant to the relevant foregoing provisions of this Subsection 4.1, plus 2.00% and (z) in the case of other amounts, the rate described in clause (b) of this Subsection 4.1 for ABR Loans accruing interest at the Alternate Base Rate plus 2.00%, in each case from the date of such nonpayment until such amount is paid in full (after as well as before judgment); provided that (1) no amount shall be payable pursuant to this Subsection 4.1(e) to a Defaulting Lender so long as such Lender shall be a Defaulting Lender and (2) no amounts shall accrue pursuant to this Subsection 4.1(e) on any overdue amount or other amount payable to a Defaulting Lender so long as such Lender shall be a Defaulting Lender.

(f) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to clause (e) of this Subsection 4.1 shall be payable from time to time on demand exercised in accordance with Subsection 9.2.

(g) It is the intention of the parties hereto to comply strictly with applicable usury laws; accordingly, it is stipulated and agreed that the aggregate of all amounts which constitute interest under applicable usury laws, whether contracted for, charged, taken, reserved, or received, in connection with the indebtedness evidenced by this Agreement or any Notes, or any other document relating or referring hereto or thereto, now or hereafter existing, shall never exceed under any circumstance whatsoever the maximum amount of interest allowed by applicable usury laws.

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4.2 Conversion and Continuation Options. (a) Subject to its obligations pursuant to Subsection 4.12(c), the Borrower may elect from time to time to convert outstanding Loans of a given Tranche denominated in Dollars from Eurodollar Term SOFR Rate Loans to ABR Loans by giving the Administrative Agent irrevocable notice of such election prior to 1:00 P.M., New York City time two Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to such election. The Borrower may elect from time to time to convert outstanding Loans of a given Tranche from ABR Loans to Eurodollar Term SOFR Rate Loans by giving the Administrative Agent irrevocable notice of such election prior to 1:00 P.M., New York City time at least three Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to such election. Any such notice of conversion to Eurodollar Term SOFR Rate Loans shall specify the length of the initial Interest Period or Interest Periods therefor. Upon receipt of any such notice the Administrative Agent shall promptly notify each affected Lender thereof. All or any part of outstanding Eurodollar Term SOFR Rate Loans denominated in Dollars or ABR Loans may be converted as provided herein, provided that (i) (unless the Required Lenders otherwise consent) no Loan may be converted into a Eurodollar Term SOFR Rate Loan when any Default or Event of Default has occurred and is continuing and, in the case of any Default (other than a Default under Subsection 9.1(f)), the Administrative Agent has given notice to the Borrower that no such conversions may be made and (ii) no Loan may be converted into a Eurodollar Term SOFR Rate Loan after the date that is one month prior to the applicable Maturity Date.

(b) Any Eurodollar Term SOFR Rate Loan may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving notice to the Administrative Agent of the length of the next Interest Period to be applicable to such Eurodollar Term SOFR Rate Loan, determined in accordance with the applicable provisions of the term "Interest Period" principles set forth in Subsection 1.1 this Section 2.1(h) and the definition of "True-Up Adjustment Amount" (a "True-up Adjustment"). In connection with a

True-up Adjustment, if the True-up Adjustment Amount is negative then IPOco (or Holdings, as IPOco may determine in its sole discretion), provided that no Eurodollar Term SOFR Rate Loan denominated in Dollars may be continued as such (i) (unless the Required Lenders otherwise consent) when any Default or Event of Default has occurred and is continuing and, in the case of any Default (other than a Default under Subsection 9.1(f)), the Administrative Agent has given notice shall pay to the Borrower that no such continuations may be made or (ii) after the date that is one month prior to the applicable Maturity Date, and provided, further, that if the Borrower shall fail to give any required notice as described above in this clause (b) or if such continuation is not permitted pursuant to the preceding proviso such Eurodollar Term SOFR Rate Loans shall be automatically converted to ABR Loans as on the last day of such then expiring Interest Period. Upon receipt of any such notice of continuation pursuant to this Subsection 4.2(b), the Administrative Agent shall promptly notify each affected Lender thereof.

4.3 Minimum Amounts; Maximum Sets. All borrowings, conversions and continuations of Loans hereunder and all selections of Interest Periods hereunder shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of the Eurodollar Term SOFR Rate Loans comprising each Set shall be equal to \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof (provided that, notwithstanding the foregoing (x) any Loan may be borrowed in Holder an amount equal to the aggregate amount in cash, shares of the Commitments in respect of such Loan and (y) any Loan may be converted or continued in its entirety), and so that there shall not be more than 20 Sets at any one time outstanding.

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4.4 Optional and Mandatory Prepayments. (a) Optional Prepayment of Term Loans. The Borrower may at any time and from time to time prepay the Term Loans, in whole or in part, subject to Subsection 4.12, without premium or penalty (except as provided in Subsection 4.5(b)), upon notice by the Borrower to the Administrative Agent prior to 1:00 P.M., New York City time, at least three Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to the date of prepayment (in the case of Eurodollar Term SOFR Rate Loans), or prior to 12:00 P.M., New York City time on the date of prepayment (or such later time as may be agreed by the Administrative Agent in its reasonable discretion) (in the case of ABR Loans). Such notice shall specify, in the case of any prepayment of Term Loans, the applicable Tranche being repaid, and if a combination thereof, the principal amount allocable to each, the date and amount of prepayment and whether the prepayment is of Eurodollar Term SOFR Rate Loans, ABR Loans Class A Common Stock or a combination thereof, and, in each case if a combination thereof, the principal amount allocable to each. Any such notice may state that such notice is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked or extended as determined by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied or waived. Upon the receipt of any such notice the Administrative Agent shall promptly notify each affected Lender thereof. If any such notice is given and not revoked, the amount specified in such notice shall be due and payable on the date specified therein, together with (if a Eurodollar Term SOFR Rate Loan is prepaid other than at the end of the Interest Period applicable thereto) any amounts payable pursuant to Subsection 4.12. Partial prepayments pursuant to this Subsection 4.4(a) shall be in multiples of \$1,000,000; provided that, notwithstanding the foregoing, any Term Loan may be prepaid IPOco in its entirety. Each prepayment of Original Initial Term Loans pursuant to this Subsection 4.4(a) made on or prior to the six-month anniversary of the Closing Date in an amount sole discretion, equal to the Net Cash Proceeds received by the Borrower or any Restricted Subsidiary from its incurrence of new Indebtedness under first lien secured bank financing in a Repricing Transaction shall be accompanied by the payment absolute value of the fee required by Subsection 4.5(b)(i). Each prepayment of Tranche B Term Loans pursuant to this Subsection 4.4(a) made prior to the date that is six months after the First Amendment Effective Date in an amount equal to the Net Cash Proceeds received by the Borrower or any Restricted Subsidiary from its incurrence of new Indebtedness under first lien secured bank financing in a Repricing Transaction shall be accompanied by the payment of the fee required by Subsection 4.5(b)(ii).

(b) [Reserved].

(c) [Reserved].

(d) [Reserved].

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(e) Mandatory Prepayment of Term Loans. (i) The Borrower shall, in accordance True-up Adjustment Amount with Subsection 4.4(g), prepay the Term Loans to the extent required by Subsection 8.4(b) (subject to Subsection 8.4(c)), (ii) if on or after the Closing Date, the Borrower or any of its Restricted Subsidiaries shall Incur (A) Specified Refinancing Term Loans or (B) Indebtedness for borrowed money (excluding Indebtedness permitted pursuant to Subsection 8.1), the Borrower shall, in accordance with Subsection 4.4(g), prepay (or, exchange for Rollover Indebtedness) the Term Loans (or, in the case of the Incurrence of any Specified Refinancing Term Loans, the Tranche of Term Loans being refinanced) in an amount equal to 100.0% of the Net Cash Proceeds thereof (plus any portion of such Indebtedness which represents Rollover Indebtedness) minus the portion of such Net Cash Proceeds applied or offered (to the extent the

Borrower or any of its Subsidiaries is required by the terms thereof) to prepay, repay or purchase Pari Passu Indebtedness on a no more than pro rata basis with the Term Loans, in each case with such prepayment to be made on or before the fifth Business Day following notice given to each Lender of the Prepayment Date, as contemplated by Subsection 4.4(h) and (iii) the Borrower shall, in accordance with Subsection 4.4(g), prepay the Term Loans within five Business Days following the day on which financial statements in respect of the immediately preceding fiscal year are delivered pursuant to Subsection 7.1(a) (commencing with the fiscal year ending on or about February 3, 2019) (or, if later, the date on which such financial statements are required to be delivered) (each, an "ECF Payment Date"), in an amount equal to (A) (1) 50.0% (as may be adjusted pursuant to the last proviso of this clause (iii)) of the Borrower's Excess Cash Flow for such fiscal year (such amount, the "Applicable ECF Amount"), if and to the extent that the Applicable ECF Amount exceeds \$20,000,000, minus (2) the sum of (g) the aggregate principal amount of Term Loans (including Incremental Term Loans, Extended Term Loans and Specified Refinancing Term Loans) prepaid pursuant to Subsection 4.4(a), Incremental Revolving Loans voluntarily prepaid to the extent accompanied by a corresponding permanent Incremental Revolving Commitment reduction, Pari Passu Indebtedness (in the case of revolving loans, to the extent accompanied by a corresponding permanent commitment reduction) voluntarily prepaid, repaid, redeemed, repurchased or retired and any prepayment of Term Loans (including Incremental Term Loans, Extended Term Loans and Specified Refinancing Term Loans) pursuant to Subsection 4.4(l) or 11.6(h) (by the Borrower or its Restricted Subsidiaries) (provided that such deduction for prepayments pursuant to Subsection 4.4(l) or 11.6(h) (by the Borrower or its Restricted Subsidiaries) shall be limited to the actual cash amount of such prepayment), in each case during such fiscal year (which, in any event, shall not include any designated prepayment pursuant to clause (u) below), (t) the aggregate principal amount of Term Loans (including Incremental Term Loans, Extended Term Loans and Specified Refinancing Term Loans) repaid pursuant to Subsection 2.2 and Pari Passu Indebtedness repaid pursuant to any amortization schedule provided for in such facility, in each case during such fiscal year, (s) the aggregate amount of cash consideration (including any expenses, charges and losses in the form of earn-out obligations and contingent consideration obligations (including to the extent accounted for as performance and retention bonuses, compensation or otherwise) and adjustments thereof and purchase price adjustments) paid by the Borrower and the Restricted Subsidiaries (on a consolidated basis) in connection with Investments (including acquisitions) made during such fiscal year constituting "Permitted Investments" (other than Permitted Investments of the type described in clause (iii) of the definition thereof and intercompany Investments by and among the Borrower and its Restricted Subsidiaries) or made pursuant to Subsection 8.2 (which, in any event, shall not include any Contract Consideration previously deducted pursuant to clause (z) below), (t) the amount of Capital Expenditures either made in cash or accrued during such fiscal year (provided that, whether any such Capital Expenditures shall be deducted for the fiscal year in which cash payments for such Capital Expenditures have been paid or the fiscal year in which such Capital Expenditures have been accrued shall be at the Borrower's election; provided, further that, in no case shall any accrual of a Capital Expenditure which has previously been deducted under this clause (t) give rise to a subsequent deduction upon the making of such Capital Expenditure in cash in the same or any subsequent fiscal year) (which, in any event, shall not include any Capital Expenditures previously deducted pursuant to clause (z) below), (u) the aggregate principal amount of Term Loans (including Incremental Term Loans, Extended Term Loans and Specified Refinancing Term Loans) repaid or prepaid pursuant to Subsection 2.2(b) or 4.4(a), Incremental Revolving Loans voluntarily prepaid to the extent accompanied by a corresponding permanent Incremental Revolving Commitment reduction, Pari Passu Indebtedness (in the case of revolving loans, to the extent accompanied by a corresponding permanent commitment reduction) voluntarily prepaid, repaid, redeemed, repurchased or retired and any prepayment of Term Loans (including Incremental Term Loans, Extended Term Loans and Specified Refinancing Term Loans) pursuant to Subsection 4.4(l) or 11.6(h) (by the Borrower or its Restricted Subsidiaries) (provided that such deduction for prepayments pursuant to Subsection 4.4(l) or 11.6(h) (by the Borrower or its Restricted Subsidiaries) shall be limited to the actual cash amount of such prepayment), in each case during the period beginning with the day following the last day of such fiscal year and ending on the ECF Payment Date and stated by the Borrower as prepaid pursuant to this Subsection 4.4(e)(iii), (v) any ABL Facility Loans prepaid to the extent accompanied by a corresponding permanent commitment reduction under the ABL Facility during such fiscal year (which, in any event, shall not include any designated prepayment pursuant to clause (w), (x) or (y) below), (w) the aggregate principal amount of ABL Facility Loans prepaid to the extent accompanied by a corresponding permanent commitment reduction under the ABL Facility during the period beginning with the day following the last day of such fiscal year and ending on the ECF Payment Date and stated by the Borrower as prepaid pursuant to this Subsection 4.4(e)(iii) (which, in any event, shall not include any designated prepayment pursuant to clause (x) or (y) below), (x) the aggregate principal amount of ABL Facility Loans prepaid during such fiscal year, in each case to the extent such amounts are drawn to fund any OID or upfront fees in respect of the Tranche B Term Loans or any Incremental Term Loans and stated by the Borrower as prepaid pursuant to this Subsection 4.4(e)(iii) (which, in any event, shall not include any designated prepayment pursuant to clause (y) below), (y) the aggregate principal amount of ABL Facility Loans prepaid during the period beginning with the day following the last day of such fiscal year and ending on the ECF Payment Date and stated by the Borrower as prepaid pursuant to this Subsection 4.4(e)(iii), in each case to the extent such amounts are drawn to fund any OID or upfront fees in respect of the Tranche B Term Loans or any Incremental Term Loans and stated by the Borrower as prepaid pursuant to this Subsection 4.4(e)(iii) and (z) at the Borrower's election, without duplication of amounts deducted from Excess Cash Flow pursuant to this Subsection 4.4(e)(iii)(A)(2), in respect of prior fiscal years, the aggregate consideration required to be paid in cash by calculated using the Borrower or any of Transaction Price as the Restricted Subsidiaries pursuant to binding contracts (the "Contract Consideration") entered into prior to or during such fiscal year relating to Investments constituting "Permitted Investments" (other than Permitted Investments of the type described in clause (iii) of the definition

thereof and intercompany Investments by and among the Borrower and its Restricted Subsidiaries) or made pursuant to Subsection 8.2 or Capital Expenditures to be consummated or made during the period of four consecutive Fiscal Quarters of the Borrower following the end of such fiscal year, provided that to the extent the aggregate amount of cash actually utilized to finance such Investments and Capital Expenditures during such period of four consecutive Fiscal Quarters is less than the Contract Consideration, the amount of such shortfall shall be added to the calculation

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of Excess Cash Flow at the end of such period of four consecutive Fiscal Quarters (provided that, except as otherwise specified herein, no prepayments made pursuant to the other clauses of this Subsection 4.4(e) shall be included in Subsection 4.4(e)(iii)(A)(2)(a), (i), (s), (t), (u), (v), (w), (x), (y) or (z)), in each case, excluding prepayments funded per share price. In connection with proceeds from the Incurrence of long-term Indebtedness (unless, in the case of clause (u) or (v), such Indebtedness has been repaid) (the amount described in this clause (A), the "ECF Prepayment Amount") minus (B) the portion of such ECF Prepayment Amount applied or offered (to the extent the Borrower or any of its Subsidiaries is required by the terms thereof) to prepay, repay or purchase Pari Passu Indebtedness on no more than a pro rata basis with the Term Loans; provided that such percentage in clause (1) above shall be reduced to 0% True-up Adjustment, if the Consolidated Secured Leverage Ratio True-up Adjustment Amount is positive, then the Holder shall pay to IPOco (or Holdings, as of the last day of the immediately preceding fiscal year was less than 3.25:1.00, after giving pro forma effect to the applicable prepayment with the Applicable ECF Amount pursuant to this Subsection 4.4(e)(iii); provided, further that, with respect to any portion of the Applicable ECF Amount IPOco may determine in excess of the portion required to achieve, on a pro forma basis, the Consolidated Secured Leverage Ratio threshold specified in the immediately foregoing proviso, such reduced percentage shall apply. Each prepayment of Original Initial Term Loans pursuant to this Subsection 4.4(e)(ii)(A)its sole discretion), but not any other prepayment of Original Initial Term Loans pursuant to Subsection 4.4(e) made on or prior to the 6 month anniversary of the Closing Date in an amount in cash, equal to the Net Cash Proceeds received True-up Adjustment Amount multiplied by the Borrower or any Restricted Subsidiary from its incurrence of new Indebtedness under first lien secured bank financing in a Repricing Transaction shall be accompanied by the payment of the fee required by Subsection 4.5(b)(i). Each prepayment of Tranche B Term Loans pursuant to this Subsection 4.4(e)(ii)(A), but not any other prepayment of Tranche B Term Loans pursuant to Subsection 4.4(e) made prior to the date that is six months after the First Amendment Effective Date in an amount equal to the Net Cash Proceeds received by the Borrower or any Restricted Subsidiary from its incurrence of new Indebtedness under first lien secured bank financing in a Repricing Transaction shall be accompanied by the payment of the fee required by Subsection 4.5(b)(ii). Nothing in this Subsection 4.4(e) shall limit the rights of the Agents and the Lenders set forth in Section 9.

(f) [Reserved].

(g) Subject to the last sentence of Subsection 4.4(h) and Subsection 4.4(k), each prepayment of Term Loans pursuant to Subsection 4.4(e) (other than a prepayment with the proceeds of Specified Refinancing Term Loans) shall be allocated pro rata among the Initial Term Loans, the Incremental Term Loans, the Extended Term Loans and the Specified Refinancing Term Loans; provided, that at the request of the Borrower, in lieu of such application on a pro rata basis among all Tranches of Term Loans, such prepayment may be applied to any Tranche of Term Loans so long as the maturity date of such Tranche of Term Loans precedes the maturity date of each other Tranche of Term Loans then outstanding or, in the event more than one Tranche of Term Loans shall have an identical maturity date that precedes the maturity date of each other Tranche of Term Loans then outstanding, to such Tranches on a pro rata basis. Each prepayment of Term Loans pursuant to Subsection 4.4(a) shall be applied within each applicable Tranche of Term Loans to the respective installments of principal thereof in the manner directed by the Borrower (or, if no such direction is given, in direct order of maturity). Each prepayment of Term Loans pursuant to Subsection 4.4(e) shall be applied within each applicable Tranche of Term Loans, first, to the accrued interest on the principal amount of Term Loans being prepaid and, second, to the respective installments of principal thereof in the manner directed by the Borrower (or, if no such direction is given in direct order of maturity). Notwithstanding any other provision of this Subsection 4.4, a Lender may, at its option, and if agreed by the Borrower, in connection with any prepayment of Term Loans pursuant to Subsection 4.4(a) or (e), exchange such Lender's portion of the Term Loan to be prepaid for Rollover Indebtedness, in lieu of such Lender's pro rata portion of such prepayment (and any such Term Loans so exchanged shall be deemed repaid for all purposes under the Loan Documents).

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(h) The Borrower shall give notice to the Administrative Agent of any mandatory prepayment of the Term Loans (x) pursuant to Subsection 4.4(e)(iii), three Business Days prior to the date on which such payment is due and (y) pursuant to any other provision of Subsection 4.4(e), promptly (and in any event within five Business Days) upon becoming obligated to make such prepayment. Such notice shall state that the Borrower is offering to make or will make such mandatory prepayment (i) in the case of mandatory prepayments pursuant to Subsection 4.4(e)(i), on or before the date specified in Subsection 8.4(b) and (ii) in the case of mandatory prepayments pursuant to any other clause of Subsection 4.4(e), on or before the date specified in such clause, as the case may be (each, a "Prepayment Date"). Subject to the following sentence, once given, such notice shall be irrevocable and all amounts subject to such notice

shall be due and payable on the Prepayment Date (except as otherwise provided in the last sentence of this Subsection 4.4(h)). Any such notice of prepayment pursuant to Subsection 4.4(e) may state that such notice is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked or extended by the Borrower (by written notice to the Administrative Agent, on or prior to the specified effective date) if such condition is not satisfied or waived. Upon receipt by the Administrative Agent of such notice, the Administrative Agent shall immediately give notice to each Lender of the prepayment and the Prepayment Date. The Borrower (in its sole discretion) may give each Lender the option (in its sole discretion) to elect to decline any such prepayment (other than a prepayment pursuant to Subsection 4.4(e)(ii)), except as otherwise provided for in the last sentence of Subsection 4.4(g) by giving notice of such election in writing to the Administrative Agent by 11:00 A.M., New York City time, on the date that is three Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to the Prepayment Date. Upon receipt by the Administrative Agent of such notice, the Administrative Agent shall immediately notify the Borrower of such election. Any amount so declined by any Lender (the "Term Loan Declined Amount") may, at the option of the Borrower, be applied to the payment or prepayment of Indebtedness, including any Junior Debt, or otherwise be retained by the Borrower and its Restricted Subsidiaries and/or applied by the Borrower or any of its Restricted Subsidiaries in any manner not inconsistent with this Agreement.

(i) Without limitation of Subsections 2.8 and 8.1(b)(i), amounts prepaid on account of Term Loans pursuant to Subsection 4.4(a), (e) or (l) may not be reborrowed.

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(j) Notwithstanding the foregoing provisions of this Subsection 4.4, if at any time any prepayment of Loans pursuant to Subsection 4.4(a) or (e) would result, after giving effect to the procedures set forth in this Agreement, in the Borrower incurring breakage costs under Subsection 4.12 as a result of Eurodollar Term SOFR Rate Loans being prepaid other than on the last day of an Interest Period with respect thereto, then, the Borrower may, so long as no Default or Event of Default shall have occurred and be continuing, in its sole discretion, initially (i) deposit a portion (up to 100.0%) of the amounts that otherwise would have been paid in respect of such Eurodollar Term SOFR Rate Loans with the Administrative Agent (which deposit must be equal in amount to the amount of such Eurodollar Term SOFR Rate Loans not immediately prepaid), to be held as security for the obligations of the Borrower to make such prepayment pursuant to a cash collateral agreement to be entered into on terms reasonably satisfactory to the Administrative Agent with such cash collateral to be directly applied upon the first occurrence thereafter of the last day of an Interest Period with respect to such Eurodollar Term SOFR Rate Loans (or such earlier date or dates as shall be requested by the Borrower) or (ii) make a prepayment of Loans in accordance with Subsection 4.4(a) with an amount equal to a portion (up to 100.0%) of the amounts that otherwise would have been paid in respect of such Eurodollar Term SOFR Rate Loans (which prepayment, together with any deposits pursuant to clause (i) above, must be equal in amount to the amount of such Eurodollar Term SOFR Rate Loans not immediately prepaid); provided that, in the case of either clause (i) or (ii) above, such unpaid Eurodollar Term SOFR Rate Loans shall continue to bear interest in accordance with Subsection 4.1 until such unpaid Eurodollar Term SOFR Rate Loans or the related portion of such Eurodollar Term SOFR Rate Loans, as the case may be, have or has been prepaid. In addition, if the Borrower determines in good faith, which determination shall be conclusive, that repatriating any amounts attributable to Foreign Subsidiaries that are required to be applied to prepay Term Loans pursuant to Subsection 4.4(e)(i) or 4.4(e)(iii) (x) would result in material adverse tax consequences to Management Holdings, Waterworks Holdings LP, Waterworks Holdings LLC, Pubco, New Blocker, Topco or one of its Subsidiaries (or, at the election of the Borrower in connection with an initial public offering or other restructuring of the Borrower, any Parent Entity or IPO Vehicle, the Borrower or any of its Subsidiaries) or (y) (1) could reasonably be expected to be prohibited or delayed by or violate or conflict with applicable local law, (2) is restricted by applicable organizational documents or any agreement, (3) is subject to other organizational or administrative impediments from being repatriated to the United States or (4) conflicts with the fiduciary duties of the applicable directors, or result in, or could reasonably be expected to result in, a material risk of personal or criminal liability for any applicable officer, director or manager, then, in each case the Borrower shall not be required to prepay such amounts as required thereunder, and such amounts may be retained by the applicable Foreign Subsidiary; provided that, in the case of this clause (y), the Borrower shall take commercially reasonable actions to cause the applicable Foreign Subsidiary to take all actions reasonably required by the applicable local law, the applicable organizational documents or agreements, the applicable organizational impediments or other impediment to permit repatriation of the proceeds subject to such prepayments.

(k) Notwithstanding anything to the contrary herein, this Subsection 4.4 may be amended (and the Lenders hereby irrevocably authorize the Administrative Agent to enter into any such amendments) to the extent necessary to reflect differing amounts payable, and priorities of payments, to Lenders participating in any new classes or tranches of Term Loans added pursuant to Subsections 2.8, 2.10, 2.11 or 11.1(h), as applicable, or pursuant to any other credit or letter of credit facility added pursuant to Subsection 2.8 or 11.1(e).

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(l) Notwithstanding anything in any Loan Document to the contrary, so long as no Event of Default under Subsection 9.1(a) or (f) has occurred and is continuing, the Borrower may prepay the outstanding Term Loans on the following basis:

(i) The Borrower shall have the right to make a voluntary prepayment of Term Loans at a discount to par (such prepayment, the "Discounted Term Loan Prepayment") pursuant to a Borrower Offer of Specified Discount Prepayment, a Borrower Solicitation of Discount Range Prepayment Offers, or a Borrower Solicitation of Discounted Prepayment Offers, in each case made in accordance with this Subsection 4.4(l); provided that the Borrower shall not initiate any action under this Subsection 4.4(l) in order to make a Discounted Term Loan Prepayment unless (1) at least ten Business Days shall have passed since the consummation of the most recent Discounted Term Loan Prepayment as a result of a prepayment made by the Borrower on the applicable Discounted Prepayment Effective Date (or such shorter period as may be agreed to by the Administrative Agent in its reasonable discretion) or (2) at least three Business Days shall have passed since the date the Borrower was notified that no Lender was willing to accept any prepayment of any Term Loan at the Specified Discount, within the Discount Range or at any discount to par value, as applicable, or in the case of Borrower Solicitation of Discounted Prepayment Offers, the date of the Borrower's election not to accept any Solicited Discounted Prepayment Offers made by a Lender (or such shorter period as may be agreed to by the Administrative Agent in its reasonable discretion). Each Lender participating in any Discounted Term Loan Prepayment acknowledges and agrees that in connection with such Discounted Term Loan Prepayment, (1) the Borrower then may have, and later may come into possession of, information regarding the Term Loans or the Loan Parties hereunder that is not known to such Lender and that may be material to a decision by such Lender to participate in such Discounted Term Loan Prepayment ("Excluded Information"). (2) such Lender has independently and, without reliance on any Parent Entity or IPO Vehicle, the Borrower, any of its Subsidiaries, the Administrative Agent or any of their respective Affiliates, has made its own analysis and determination to participate in such Discounted Term Loan Prepayment notwithstanding such Lender's lack of knowledge of the Excluded Information and (3) none of the Parent Entities or IPO Vehicles, the Borrower, its Subsidiaries, the Administrative Agent, or any of their respective Affiliates shall have any liability to such Lender, and such Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against any Parent Entity or IPO Vehicle, the Borrower, its Subsidiaries, the Administrative Agent, and their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. Each Lender participating in any Discounted Term Loan Prepayment further acknowledges that the Excluded Information may not be available to the Administrative Agent or the other Lenders. Any Term Loans prepaid pursuant to this Subsection 4.4(l) shall be immediately and automatically cancelled.

(ii) Borrower Offer of Specified Discount Prepayment. (1) The Borrower may from time to time offer to make a Discounted Term Loan Prepayment by providing the Administrative Agent with three Business Days' (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) notice in the form of a Specified Discount Prepayment Notice; provided that (I) any such offer shall be made available, at the sole discretion of the Borrower, to each Lender or to each Lender with respect to any Tranche on an individual Tranche basis, (II) any such offer shall specify the aggregate Outstanding Amount offered to be prepaid (the "Specified Discount Prepayment Amount"), the Tranches of Term Loans subject to such offer and the specific percentage discount to par value (the "Specified Discount") of the Outstanding Amount of such Term Loans to be prepaid, (III) the Specified Discount Prepayment Amount shall be in an aggregate principal amount not less than \$5,000,000 and whole increments of \$500,000 in excess thereof (or such lower minimum amounts or multiples as may be agreed to by the Administrative Agent in its reasonable discretion), and (IV) each such offer shall remain outstanding through the Specified Discount Prepayment Response Date. The Administrative Agent will promptly provide each relevant Lender with a copy of such Specified Discount Prepayment Notice and a form of the Specified Discount Prepayment Response to be completed and returned by each such Lender to the Administrative Agent (or its delegate) by no later than 5:00 P.M., New York City time, on the third Business Day after the date of delivery of such notice to the relevant Lenders (or such later date designated by the Administrative Agent and approved by the Borrower) (the "Specified Discount Prepayment Response Date").

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(2) Each relevant Lender receiving such offer shall notify the Administrative Agent (or its delegate) by the Specified Discount Prepayment Response Date whether or not it agrees to accept a prepayment of any of its relevant then outstanding Term Loans at the Specified Discount and, if so (such accepting Lender, a "Discount Prepayment Accepting Lender"), the amount of such Lender's Outstanding Amount and Tranches of Term Loans to be prepaid at such offered discount. Each acceptance of a Discounted Term Loan Prepayment by a Discount Prepayment Accepting Lender shall be irrevocable. Any Lender whose Specified Discount Prepayment Response is not received by the Administrative Agent by the Specified Discount Prepayment Response Date shall be deemed to have declined to accept such Borrower Offer of Specified Discount Prepayment.

(3) If there is at least one Discount Prepayment Accepting Lender, the Borrower will make prepayment of outstanding Term Loans pursuant to this Subsection 4.4(l)(ii) to each Discount Prepayment Accepting Lender in accordance with the respective Outstanding Amount and Tranches of Term Loans specified in such Lender's Specified Discount Prepayment Response given pursuant to the foregoing clause (2); provided that, if the aggregate Outstanding Amount of Term Loans

accepted for prepayment by all Discount Prepayment Accepting Lenders exceeds the Specified Discount Prepayment Amount, such prepayment shall be made pro rata among the Discount Prepayment Accepting Lenders in accordance with the respective Outstanding Amounts accepted to be prepaid by each such Discount Prepayment Accepting Lender and the Administrative Agent (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) will calculate such proration (the "Specified Discount Proration"). The Administrative Agent shall promptly, and in any case within three Business Days following the Specified Discount Prepayment Response Date, notify (I) the Borrower of the respective Lenders' responses to such offer, the Discounted Prepayment Effective Date and the aggregate Outstanding Amount of the Discounted Term Loan Prepayment and the Tranches to be prepaid, (II) each Lender of the Discounted Prepayment Effective Date, and the aggregate Outstanding Amount and the Tranches of all Term Loans to be prepaid at the Specified Discount on such date, and (III) each Discount Prepayment Accepting Lender of the Specified Discount Proration, if any, and confirmation of the Outstanding Amount, Tranche and Type of Term Loans of such Lender to be prepaid at the Specified Discount on such date. Each determination by the Administrative Agent of the amounts stated in the foregoing notices to the Borrower and Lenders shall be conclusive and binding for all purposes absent manifest error. The payment amount specified in such notice to the Borrower shall be due and payable by the Borrower on the Discounted Prepayment Effective Date in accordance with Subsection 4.4(l)(vi) below (subject to Subsection 4.4(l)(x) below).

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(iii) Borrower Solicitation of Discount Range Prepayment Offers. (1) The Borrower may from time to time solicit Discount Range Prepayment Offers by providing the Administrative Agent with three Business Days' (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) notice in the form of a Discount Range Prepayment Notice; provided that (I) any such solicitation shall be extended, at the sole discretion of the Borrower, to each Lender or to each Lender with respect to any Tranche on an individual Tranche basis, (II) any such notice shall specify the maximum aggregate Outstanding Amount of the relevant Term Loans that the Borrower is willing to prepay at a discount (the "Discount Range Prepayment Amount"), the Tranches of Term Loans subject to such offer and the maximum and minimum percentage discounts to par (the "Discount Range") of the Outstanding Amount of such Term Loans willing to be prepaid by the Borrower, (III) the Discount Range Prepayment Amount shall be in an aggregate principal amount not less than \$5,000,000 and whole increments of \$500,000 in excess thereof (or such lower minimum amounts or multiples as may be agreed to by the Administrative Agent in its reasonable discretion), and (IV) each such solicitation by the Borrower shall remain outstanding through the Discount Range Prepayment Response Date. The Administrative Agent will promptly provide each relevant Lender with a copy of such Discount Range Prepayment Notice and a form of the Discount Range Prepayment Offer to be submitted by a responding relevant Lender to the Administrative Agent (or its delegate) by no later than 5:00 P.M., New York City time, on the third Business Day after the date of delivery of such notice to the relevant Lenders (or such later date as may be designated by the Administrative Agent and approved by the Borrower) (the "Discount Range Prepayment Response Date"). Each relevant Lender's Discount Range Prepayment Offer shall be irrevocable and shall specify a discount to par within the Discount Range (the "Submitted Discount") at which such Lender is willing to allow prepayment of any or all of its then outstanding Term Loans and the maximum aggregate Outstanding Amount and Tranches of such Term Loans such Lender is willing to have prepaid at the Submitted Discount (the "Submitted Amount"). Any Lender whose Discount Range Prepayment Offer is not received by the Administrative Agent by the Discount Range Prepayment Response Date shall be deemed to have declined to accept a Discounted Term Loan Prepayment of any of its Term Loans at any discount to their par value within the Discount Range.

(2) The Administrative Agent shall review all Discount Range Prepayment Offers received by it by the Discount Range Prepayment Response Date and will determine (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) the Applicable Discount and Term Loans to be prepaid at such Applicable Discount in accordance with this Subsection 4.4(l)(iii). The Borrower agrees to accept on the Discount Range Prepayment Response Date all Discount Range Prepayment Offers received by the Administrative Agent by the Discount Range Prepayment Response Date, in the order from the Submitted Discount that is the largest discount to par to the Submitted Discount that is the smallest discount to par, up to and including the Submitted Discount that is the smallest discount to par within the Discount Range (such Submitted Discount that is the smallest discount to par being referred to as the "Applicable Discount") which yields a Discounted Term Loan Prepayment in an aggregate Outstanding Amount equal to the lesser of (I) the Discount Range Prepayment Amount and (II) the sum of all Submitted Amounts. Each Lender that has submitted a Discount Range Prepayment Offer to accept prepayment at a discount to par that is larger than or equal to the Applicable Discount shall be deemed to have irrevocably consented to prepayment of Term Loans equal to its Submitted Amount (subject to any required proration pursuant to the following Subsection 4.4(l)(iii)(3)) at the Applicable Discount (each such Lender, a "Participating Lender").

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(3) If there is at least one Participating Lender, the Borrower will prepay the respective outstanding Term Loans of each Participating Lender in the aggregate Outstanding Amount and of the Tranches specified in such Lender's Discount Range Prepayment Offer at the Applicable Discount; provided that if the Submitted Amount by all Participating Lenders offered at a discount to par greater than the Applicable Discount exceeds the Discount Range Prepayment Amount, prepayment of the Outstanding Amount of the relevant Term Loans for those Participating Lenders whose Submitted Discount is a discount to par greater than or equal to the Applicable Discount (the "Identified Participating Lenders") shall be made pro rata among the Identified Participating Lenders in accordance with the Submitted Amount of each such Identified Participating Lender and the Administrative Agent (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) will calculate such proration (the "Discount Range Proration"). The Administrative Agent shall promptly, and in any case within three Business Days following the Discount Range Prepayment Response Date, notify (w) the Borrower of the respective Lenders' responses to such solicitation, the Discounted Prepayment Effective Date, the Applicable Discount, and the aggregate Outstanding Amount of the Discounted Term Loan Prepayment and the Tranches to be prepaid, (x) each Lender of the Discounted Prepayment Effective Date, the Applicable Discount, and the aggregate Outstanding Amount and Tranches of all Term Loans to be prepaid at the Applicable Discount on such date, (y) each Participating Lender of the aggregate Outstanding Amount and Tranches of such Lender to be prepaid at the Applicable Discount on such date, and (z) if applicable, each Identified Participating Lender of the Discount Range Proration. Each determination by the Administrative Agent of the amounts stated in the foregoing notices to the Borrower and Lenders shall be conclusive and binding for all purposes absent manifest error. The payment amount specified in such notice to the Borrower shall be due and payable by the Borrower on the Discounted Prepayment Effective Date in accordance with Subsection 4.4(l) (vi) below (subject to Subsection 4.4(l)(x) below).

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(iv) Borrower Solicitation of Discounted Prepayment Offers. (1) The Borrower may from time to time solicit Solicited Discounted Prepayment Offers by providing the Administrative Agent with three Business Days' (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) notice in the form of a Solicited Discounted Prepayment Notice; provided that (I) any such solicitation shall be extended, at the sole discretion of the Borrower, to each Lender or to each Lender with respect to any Tranche on an individual Tranche basis, (II) any such notice shall specify the maximum aggregate Outstanding Amount of the Term Loans and the Tranches of Term Loans the Borrower is willing to prepay at a discount (the "Solicited Discounted Prepayment Amount"), (III) the Solicited Discounted Prepayment Amount shall be in an aggregate principal amount not less than \$5,000,000 and whole increments of \$500,000 in excess thereof (or such lower minimum amounts or multiples as may be agreed to by the Administrative Agent in its reasonable discretion), and (IV) each such solicitation by the Borrower shall remain outstanding through the Solicited Discounted Prepayment Response Date. The Administrative Agent will promptly provide each relevant Lender with a copy of such Solicited Discounted Prepayment Notice and a form of the Solicited Discounted Prepayment Offer to be submitted by a responding Lender to the Administrative Agent (or its delegate) by no later than 5:00 P.M., New York City time on the third Business Day after the date of delivery of such notice to the relevant Lenders (or such later date as may be designated by the Administrative Agent and approved by the Borrower) (the "Solicited Discounted Prepayment Response Date"). Each Lender's Solicited Discounted Prepayment Offer shall (x) be irrevocable, (y) remain outstanding until the Acceptance Date and (z) specify both a discount to par (the "Offered Discount") at which such Lender is willing to allow prepayment of its then outstanding Term Loans and the maximum aggregate Outstanding Amount and Tranches of such Term Loans (the "Offered Amount") such Lender is willing to have prepaid at the Offered Discount. Any Lender whose Solicited Discounted Prepayment Offer is not received by the Administrative Agent by the Solicited Discounted Prepayment Response Date shall be deemed to have declined prepayment of any of its Term Loans at any discount to their par value.

(2) The Administrative Agent shall promptly provide the Borrower with a copy of all Solicited Discounted Prepayment Offers received by it by the Solicited Discounted Prepayment Response Date. The Borrower shall review all such Solicited Discounted Prepayment Offers and select, at its sole discretion, the smallest of the Offered Discounts specified by the relevant responding Lenders in the Solicited Discounted Prepayment Offers that the Borrower is willing to accept (the "Acceptable Discount"), if any; provided that the Acceptable Discount shall not be an Offered Discount that is larger than the smallest Offered Discount for which the sum of all Offered Amounts affiliated with Offered Discounts that are larger than or equal to such smallest Offered Discount would, if purchased at such smallest Offered Discount, yield an amount at least equal to the Solicited Discounted Prepayment Amount. If the Borrower elects to accept any Offered Discount as the Acceptable Discount, then as soon as practicable after the determination of the Acceptable Discount, but in no event later than by the third Business Day after the date of receipt by the Borrower from the Administrative Agent of a copy of all Solicited Discounted Prepayment Offers pursuant to the first sentence of this clause (2) (the "Acceptance Date"), the Borrower shall submit an Acceptance and Prepayment Notice to the Administrative Agent setting forth the Acceptable Discount. If the Administrative

Agent shall fail to receive an Acceptance and Prepayment Notice from the Borrower by the Acceptance Date, the Borrower shall be deemed to have rejected all Solicited Discounted Prepayment Offers.

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(3) Based upon the Acceptable Discount and the Solicited Discounted Prepayment Offers received by the Administrative Agent by the Solicited Discounted Prepayment Response Date, within three Business Days after receipt of an Acceptance and Prepayment Notice (the "Discounted Prepayment Determination Date"), the Administrative Agent will determine (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) the aggregate Outstanding Amount and the Tranches of Term Loans (the "Acceptable Prepayment Amount") to be prepaid by the Borrower at the Acceptable Discount in accordance with this Subsection 4.4(l)(iv). If the Borrower elects to accept any Acceptable Discount, then the Borrower agrees to accept all Solicited Discounted Prepayment Offers received by the Administrative Agent by the Solicited Discounted Prepayment Response Date, in the order from largest Offered Discount to smallest Offered Discount, up to and including the Acceptable Discount. Each Lender that has submitted a Solicited Discounted Prepayment Offer to accept prepayment at an Offered Discount that is greater than or equal to the Acceptable Discount shall be deemed to have irrevocably consented to prepayment of Term Loans equal to its Offered Amount (subject to any required proration pursuant to the following sentence) at the Acceptable Discount (each such Lender, a "Qualifying Lender"). The Borrower shall prepay outstanding Term Loans pursuant to this Subsection 4.4(l)(iv) to each Qualifying Lender in the aggregate Outstanding Amount and of the Tranches specified in such Lender's Solicited Discounted Prepayment Offer at the Acceptable Discount; provided that if the aggregate Offered Amount by all Qualifying Lenders whose Offered Discount is greater than or equal to the Acceptable Discount exceeds the Solicited Discounted Prepayment Amount, prepayment of the Outstanding Amount of the Term Loans for those Qualifying Lenders whose Offered Discount is greater than or equal to the Acceptable Discount (the "Identified Qualifying Lenders") shall be made pro rata among the Identified Qualifying Lenders in accordance with the Offered Amount of each such Identified Qualifying Lender and the Administrative Agent (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) will calculate such proration (the "Solicited Discount Proration"). On or prior to the Discounted Prepayment Determination Date, the Administrative Agent shall promptly notify (w) the Borrower of the Discounted Prepayment Effective Date and Acceptable Prepayment Amount comprising the Discounted Term Loan Prepayment and the Tranches to be prepaid, (x) each Lender of the Discounted Prepayment Effective Date, the Acceptable Discount, and the Acceptable Prepayment Amount of all Term Loans and the Tranches to be prepaid at the Applicable Discount on such date, (y) each Qualifying Lender of the aggregate Outstanding Amount and the Tranches of such Lender to be prepaid at the Acceptable Discount on such date, and (z) if applicable, each Identified Qualifying Lender of the Solicited Discount Proration. Each determination by the Administrative Agent of the amounts stated in the foregoing notices to the Borrower and Lenders shall be conclusive and binding for all purposes absent manifest error. The payment amount specified in such notice to the Borrower shall be due and payable by the Borrower on the Discounted Prepayment Effective Date in accordance with Subsection 4.4(l)(vi) below (subject to Subsection 4.4(l)(x) below).

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(v) Expenses. In connection with any Discounted Term Loan Prepayment, the Borrower and the Lenders acknowledge and agree that the Administrative Agent may require as a condition to any Discounted Term Loan Prepayment, the payment of reasonable out-of-pocket costs and expenses from the Borrower in connection therewith.

(vi) Payment. If any Term Loan is prepaid in accordance with Subsections 4.4(l)(ii) through (iv) above, the Borrower shall prepay such Term Loans on the Discounted Prepayment Effective Date. The Borrower shall make such prepayment to the Administrative Agent, for the account of the Discount Prepayment Accepting Lenders, Participating Lenders, or Qualifying Lenders, as applicable, at the Administrative Agent's Office in immediately available funds not later than 11:00 A.M., New York City time, on the Discounted Prepayment Effective Date and all such prepayments shall be applied to the remaining principal installments of the Term Loans in inverse order of maturity. The Term Loans so prepaid shall be accompanied by all accrued and unpaid interest on the par principal amount so prepaid up to, but not including, the Discounted Prepayment Effective Date. Each prepayment of the outstanding Term Loans pursuant to this Subsection 4.4(l) shall be paid to the Discount Prepayment Accepting Lenders, Participating Lenders, or Qualifying Lenders, as applicable. The aggregate Outstanding Amount of the Tranches of the Term Loans outstanding shall be deemed reduced by the full par value of the aggregate Outstanding Amount of the Tranches of Term Loans prepaid on the Discounted Prepayment Effective Date in any Discounted Term Loan Prepayment. The Lenders hereby agree that, in connection with a prepayment of Term Loans pursuant to this Subsection 4.4(l) and notwithstanding anything to the contrary contained in this Agreement, (i) interest in respect of the Term Loans may be made on a non-pro rata basis among the Lenders holding such Term Loans to reflect the payment of accrued interest to certain Lenders as provided in this Subsection 4.4(l)(vi) and (ii) all subsequent prepayments and repayments of the Term Loans (except as otherwise contemplated by this Agreement) shall be made on a pro rata

basis among the respective Lenders based upon the then outstanding principal amounts of the Term Loans then held by the respective Lenders after giving effect to any prepayment pursuant to this Subsection 4.4(l) as if made at par. It is also understood and agreed that prepayments pursuant to this Subsection 4.4(l) shall not be subject to Subsection 4.4(a), or, for the avoidance of doubt, Subsection 11.7(a) or the pro rata allocation requirements of Subsection 4.8(a).

(vii) Other Procedures. To the extent not expressly provided for herein, each Discounted Term Loan Prepayment shall be consummated pursuant to procedures consistent with the provisions in this Subsection 4.4(l), established by the Administrative Agent acting in its reasonable discretion and as reasonably agreed by the Borrower.

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(viii) Notice. Notwithstanding anything in any Loan Document to the contrary, for purposes of this Subsection 4.4(l), each notice or other communication required to be delivered or otherwise provided to the Administrative Agent (or its delegate) shall be deemed to have been given upon the Administrative Agent's (or its delegate's) actual receipt during normal business hours of such notice or communication; provided that any notice or communication actually received outside of normal business hours shall be deemed to have been given as of the opening of business on the next Business Day.

(ix) Actions of Administrative Agent. Each of the Borrower and the Lenders acknowledges and agrees that the Administrative Agent may perform any and all of its duties under this Subsection 4.4(l) by itself or through any Affiliate of the Administrative Agent and expressly consents to any such delegation of duties by the Administrative Agent to such Affiliate and the performance of such delegated duties by such Affiliate. The exculpatory provisions in this Agreement shall apply to each Affiliate of the Administrative Agent and its respective activities in connection with any Discounted Term Loan Prepayment provided for in this Subsection 4.4(l) as well as to activities of the Administrative Agent in connection with any Discounted Term Loan Prepayment provided for in this Subsection 4.4(l).

(x) Revocation. The Borrower shall have the right, by written notice to the Administrative Agent, to revoke in full (but not in part) its offer to make a Discounted Term Loan Prepayment and rescind the applicable Specified Discount Prepayment Notice, Discount Range Prepayment Notice or Solicited Discounted Prepayment Notice therefor at its discretion at any time on or prior to the applicable Specified Discount Prepayment Response Date (and if such offer is so revoked, any failure by the Borrower to make any prepayment to a Lender pursuant to this Subsection 4.4(l) shall not constitute a Default or Event of Default under Subsection 9.1 or otherwise).

(xi) No Obligation. This Subsection 4.4(l) shall not (i) require the Borrower to undertake any prepayment pursuant to this Subsection 4.4(l) or (ii) limit or restrict the Borrower from making voluntary prepayments of the Term Loans in accordance with the other provisions of this Agreement.

4.5 Administrative Agent's Fee; Other Fees. (a) The Borrower agrees to pay to the Administrative Agent the fees set forth in the last paragraph under the heading "Term Loan Facility Fees" of the Fee Letter on the payment dates set forth therein.

(b)

(i) If, on or prior to the six-month anniversary of the Closing Date, the Borrower makes an optional prepayment or mandatory prepayment pursuant to Subsection 4.4(e)(ii)(A) of all or a portion of the Original Initial Term Loans in an amount equal to the Net Cash Proceeds received by the Borrower or any Restricted Subsidiary from its incurrence of new Indebtedness under first lien secured bank financing in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Lender, a prepayment premium of 1.0% of the aggregate principal amount of Original Initial Term Loans being prepaid. If, on or prior to the six-month anniversary of the Closing Date, any Lender is replaced pursuant to Subsection 11.1(g) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under Subsection 11.6(g) to replace the Original Initial Term Loans) that results in a Repricing Transaction, such Lender (and not any Person who replaces such Lender pursuant to Subsection 2.10(e) or 11.1(g)) shall receive a fee equal to 1.0% of the principal amount of the Original Initial Term Loans of such Lender assigned to a replacement Lender pursuant to Subsection 2.10(e) or 11.1(g).

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(ii) If, prior to the date that is six months after the First Amendment Effective Date, the Borrower makes an optional prepayment or mandatory prepayment pursuant to Subsection 4.4(e)(ii)(A) of all or a portion of the Tranche B Term Loans in an amount equal to the Net Cash Proceeds received by the Borrower or any Restricted Subsidiary from its incurrence of new Indebtedness under first lien secured bank financing in a Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Lender, a prepayment premium of 1.0% of the aggregate principal amount of Tranche B Term Loans being prepaid. If, prior to the date that is six months after the First Amendment Effective Date, any Lender is replaced pursuant to Subsection 11.1(g) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under Subsection 11.6(g) to replace the Tranche B Term Loans) that results in a Repricing Transaction, such Lender (and not any Person

who replaces such Lender pursuant to Subsection 2.10(e) or 11.1(g)) shall receive a fee equal to 1.0% of the principal amount of the Tranche B Term Loans of such Lender assigned to a replacement Lender pursuant to Subsection 2.10(e) or 11.1(g).

4.6 Computation of Interest and Fees. (a) Interest (other than interest based on the Base Rate) shall be calculated on the basis of a 360-day year for the actual days elapsed; and interest based on the Base Rate shall be calculated on the basis of a 365-day year (or 366-day year, as the case may be) for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the affected Lenders of each determination of an Adjusted LIBOR a Term SOFR Rate. Any change in the interest rate on a Loan resulting from a change in the Alternate Base Rate or the Statutory Reserves shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the affected Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrower or any Lender, deliver to the Borrower or such Lender a statement showing in reasonable detail the calculations used by the Administrative Agent in determining any interest rate pursuant to Subsection 4.1, excluding any LIBOR Rate which is based upon the Reuters Monitor Money Rates Service page and any ABR Loan which is based upon the Alternate Base Rate.

(c) Upon the request of the Administrative Agent, each Reference Bank (whether or not currently a Lender hereunder) agrees that, if such Reference Bank is currently providing quotes for deposits in Dollars to leading banks in the London interbank market, it will promptly (and no later than the Business Day following any such request) supply the Administrative Agent with the rate quoted by such Reference Bank to leading banks in the London interbank market two Business Days before the first day of the relevant Interest Period for deposits in Dollars of a duration equal to the duration of such Interest Period. The Borrower agrees to keep confidential the rate quoted by any Reference Bank and provided to it or the Administrative Agent pursuant to this Subsection 4.6(c); provided, that such rates may be disclosed to (i) to the Sponsor, CD&R, the Investors, any Parent Entity or IPO Vehicle, the Borrower, any Restricted Subsidiary and to their respective officers, directors, employees, attorneys, accountants and advisors on a confidential and need-to-know basis, (ii) if the applicable Reference Bank consents to such proposed disclosure (such consent not to be unreasonably withheld) or (iii) to the extent necessary in connection with the exercise of any remedy or enforcement of any rights.

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4.7 Inability to Determine Interest Rate.

(a) If, prior to the first day of any Interest Period, the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrower) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Adjusted LIBOR Term SOFR Rate with respect to any Eurodollar Term SOFR Rate Loan for such Interest Period (the "Affected Eurodollar Term SOFR Rate"), the Administrative Agent shall give facsimile or telephonic notice thereof to the Borrower and the Lenders as soon as practicable thereafter. If such notice is given (a) any Eurodollar Term SOFR Rate Loans the rate of interest applicable to which is based on the Affected Eurodollar Term SOFR Rate requested to be made on the first day of such Interest Period shall be made as ABR Loans, (b) [reserved], (c) [reserved] and (d) any Loans that were to have been converted on the first day of such Interest Period to or continued as Eurodollar Term SOFR Rate Loans in Dollars the rate of interest applicable to which is based upon the Affected Eurodollar Term SOFR Rate shall be converted to or continued as ABR Loans. Until such notice has been withdrawn by the Administrative Agent, no further Eurodollar Term SOFR Rate Loans the rate of interest applicable to which is based upon the Affected Eurodollar Term SOFR Rate shall be made or continued as such, nor shall the Borrower have the right to convert ABR Loans to Eurodollar Term SOFR Rate Loans, the rate of interest applicable to which is based upon the Affected Eurodollar Term SOFR Rate.

(b) In connection with the use, implementation or administration of Term SOFR Rate or SOFR, the Administrative Agent will have the right to make the Benchmark Replacement Conforming Changes from time to time with the consent of the Borrower and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments adopting or implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Benchmark Replacement Conforming Changes.

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4.8 Pro Rata Treatment and Payments.

(a) Except as expressly otherwise provided herein, each payment (including each prepayment, but excluding payments made pursuant to Subsection 2.8, 2.9, 2.10, 2.11, 4.5(b), 4.9, 4.10, 4.11, 4.12, 4.13(d), 4.14, 11.1(g) or 11.6) by the Borrower on account of principal of and interest on account of any Loans of a given Tranche (other than (v) payments in respect of any difference in the Applicable Margin, Adjusted LIBOR Term SOFR Rate or Alternate Base Rate in respect of any Tranche, (w) any payments pursuant to Subsection

4.4(e) to the extent declined by any Lender in accordance with Subsection 4.4(h), (x) any payments pursuant to Subsection 4.4(l) which shall be allocated as set forth in Subsection 4.4(l) and (y) any prepayments pursuant to Subsection 11.6(h)(i)(2)) shall be allocated by the Administrative Agent pro rata according to the respective outstanding principal amounts of such Loans of such Tranche then held by the respective Lenders; provided that a Lender may, at its option, and if agreed by the Borrower, exchange such Lender's portion of a Term Loan to be prepaid for Rollover Indebtedness, in lieu of such Lender's pro rata portion of such prepayment, pursuant to the last sentence of Subsection 4.4(g). All payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made on or prior to 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 due date thereof to the Administrative Agent for the account of the Lenders holding the relevant Loans, the Lenders, the Administrative Agent, or the Other Representatives, as the case may be, at the Administrative Agent's office specified in Subsection 11.2, in Dollars and in immediately available funds. Payments received by the Administrative Agent after such time shall be deemed to have been received on the next Business Day. The Administrative Agent shall distribute such payments to such Lenders or Other Representatives, as the case may be, if any such payment is received prior to 2:00 P.M., New York City time, on a Business Day, in like funds as received prior to the end of such Business Day and otherwise the Administrative Agent shall distribute such payment to such Lenders or Other Representatives, as the case may be, on the next succeeding Business Day. If any payment hereunder (other than payments on ~~the Eurodollar~~ Term SOFR Rate Loans) becomes due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day, and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension. If any payment on a ~~Eurodollar~~ Term SOFR Rate Loan becomes due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day (and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension) unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. This Subsection 4.8(a) may be amended in accordance with Subsection 11.1(d) to the extent necessary to reflect differing amounts payable, and priorities of payments, to Lenders participating in any new Tranches added pursuant to Subsections 2.8, 2.10, 2.11 and 11.1(h), as applicable, or pursuant to any other credit or letter of credit facility added pursuant to Subsection 2.8 or 11.1(e).

(b) Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower in respect of such borrowing a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Administrative Agent on demand, such amount with interest thereon at a rate equal to the daily average Federal Funds Effective Rate for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this Subsection 4.8(b) shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made available to the Administrative Agent by such Lender within three Business Days of such Borrowing Date, (x) the Administrative Agent shall notify the Borrower of the failure of such Lender to make such amount available to the Administrative Agent and the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans hereunder on demand from the Borrower; provided that the foregoing notice and recovery provisions shall not apply to the funding of Initial Term Loans on the Closing Date and (y) then the Borrower may, without waiving or limiting any rights or remedies it may have against such Lender hereunder or under applicable law or otherwise, borrow a like amount on an unsecured basis from any commercial bank for a period ending on the date upon which such Lender does in fact make such borrowing available.

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4.9 Illegality. Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof in each case occurring after the Closing Date shall make it unlawful for any Lender to make or maintain any ~~Eurodollar~~ Term SOFR Rate Loans as contemplated by this Agreement ("Affected Loans"), (a) such Lender shall promptly give written notice of such circumstances to the Borrower and the Administrative Agent (which notice shall be withdrawn whenever such circumstances no longer exist), (b) the commitment of such Lender hereunder to make Affected Loans, continue Affected Loans as such and convert an ABR Loan to an Affected Loan shall forthwith be cancelled and, until such time as it shall no longer be unlawful for such Lender to make or maintain such Affected Loans, such Lender shall then have a commitment only to make an ABR Loan when an Affected Loan is requested, (c) such Lender's Loans then outstanding as Affected Loans, if any, shall be converted automatically to ABR Loans on the respective last days of the then current Interest Periods with respect to such Affected Loans or within such earlier period as required by law and (d) such Lender's then outstanding Affected Loans, if any, not converted to ABR Loans pursuant to clause (c) of this Subsection 4.9 shall, at the option of the Borrower (i) be prepaid with accrued interest thereon on the last day of the then current Interest Period with respect thereto (or such earlier date as may be required by any such Requirement of Law) or (ii) bear interest at an alternate

rate which reflects such Lender's cost of funding such Loans (which rate, if less than zero, shall be deemed zero for purposes of this Agreement), as reasonably determined by the Administrative Agent, plus the Applicable Margin hereunder. If any such conversion or prepayment of an Affected Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Borrower shall pay to such Lender such amounts, if any, as may be required pursuant to [Subsection 4.12](#).

4.10 Requirements of Law. (a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof applicable to any Lender, or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority, in each case made subsequent to the Closing Date (or, if later, the date on which such Lender becomes a Lender):

(i) shall subject such Lender to any Tax of any kind whatsoever with respect to any ~~Eurodollar~~[Term SOFR Rate](#) Loans made or maintained by it or its obligation to make or maintain ~~Eurodollar~~[Term SOFR Rate](#) Loans, or change the basis of taxation of payments to such Lender in respect thereof, in each case, except for Non-Excluded Taxes, Taxes imposed by FATCA and Taxes measured by or imposed upon net income, or franchise Taxes, or Taxes measured by or imposed upon overall capital or net worth, or branch Taxes (in the case of such capital, net worth or branch Taxes, imposed in lieu of such net income Tax), of such Lender or its applicable lending office, branch, or any affiliate thereof;

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(ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any office of such Lender which is not otherwise included in the determination of the ~~LIBOR~~[Term SOFR](#) Rate, as applicable, hereunder; or

(iii) shall impose on such Lender any other condition (excluding any Tax of any kind whatsoever);

and the result of any of the foregoing is to increase the cost to such Lender, by an amount which such Lender deems to be material, of making, converting into, continuing or maintaining ~~Eurodollar~~[Term SOFR Rate](#) Loans or to reduce any amount receivable hereunder in respect thereof, then, in any such case, upon notice to the Borrower from such Lender, through the Administrative Agent in accordance herewith, the Borrower shall promptly pay such Lender, upon its demand, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable with respect to such ~~Eurodollar~~[Term SOFR Rate](#) Loans; provided that, in any such case, the Borrower may elect to convert the ~~Eurodollar~~[Term SOFR Rate](#) Loans made by such Lender hereunder to ABR Loans by giving the Administrative Agent at least one Business Day's (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) notice of such election, in which case the Borrower shall promptly pay to such Lender, upon demand, without duplication, amounts theretofore required to be paid to such Lender pursuant to this [Subsection 4.10\(a\)](#) and such amounts, if any, as may be required pursuant to [Subsection 4.12](#). If any Lender becomes entitled to claim any additional amounts pursuant to this [Subsection 4.10\(a\)](#), it shall provide prompt notice thereof to the Borrower, through the Administrative Agent, certifying (x) that one of the events described in this clause (a) has occurred and describing in reasonable detail the nature of such event, (y) as to the increased cost or reduced amount resulting from such event and (z) as to the additional amount demanded by such Lender and a reasonably detailed explanation of the calculation thereof. Such a certificate as to any additional amounts payable pursuant to this [Subsection 4.10\(a\)](#) submitted by such Lender, through the Administrative Agent, to the Borrower shall be conclusive in the absence of manifest error. Price. Notwithstanding anything to the contrary in this [Subsection 4.10\(a\)](#) [Section 2.1\(h\)](#), IPOco shall have the Borrower shall not be required authority to compensate put such procedures in place and take such actions, including without limitation amending or interpreting this agreement and implementing Liquidation Adjustments using the Initial True-up Amount upon the submission by a Lender Holder of a contingent Election of Exchange pursuant to this [Subsection 4.10\(a\)](#) (i) for any amounts incurred more than six months prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor or (ii) for any amounts, if such Lender is applying this provision to the Borrower in a manner that is inconsistent with its application of "increased cost" or other similar provisions under other syndicated credit agreements to similarly situated borrowers. This covenant shall survive the termination [Section 2.1\(c\)](#) of this Agreement, and the payment of the Loans and all other amounts payable hereunder.

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(b) If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or liquidity or IPOco's sole discretion as it determines in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy or liquidity (whether or not having the force of law) from any Governmental Authority, in each case, made subsequent to the Closing Date, does or shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of such Lender's obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy or liquidity) by an amount deemed by such Lender to be material, then from time to time, within ten Business Days after submission by such Lender to the Borrower (through the Administrative

Agent) of a written request therefor certifying (x) that one of the events described in this clause (b) has occurred and describing in reasonable detail the nature of such event, (y) as to the reduction of the rate of return on capital resulting from such event and (z) as to the additional amount or amounts demanded by such Lender or corporation and a reasonably detailed explanation of the calculation thereof, the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or corporation for such reduction. Such a certificate as to any additional amounts payable pursuant to this Subsection 4.10(b) submitted by such Lender, through the Administrative Agent, to the Borrower shall be conclusive in the absence of manifest error. Notwithstanding anything to the contrary in this Subsection 4.10(b), the Borrower shall not be required to compensate a Lender pursuant to this Subsection 4.10(b) (i) for any amounts incurred more than six months prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor or (ii) for any amounts, if such Lender is applying this provision to the Borrower in a manner that is inconsistent with its application of "increased cost" or other similar provisions under other syndicated credit agreements to similarly situated borrowers. This covenant shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(c) Notwithstanding anything herein to the contrary, the Dodd Frank Wall Street Reform and Consumer Protection Act, and all requests, rules, regulations, guidelines and directives promulgated thereunder or issued in connection therewith, and all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, in each case shall be deemed to have been enacted, adopted or issued, as applicable, subsequent to the Closing Date for all purposes herein.

4.11 Taxes. (a) Except as provided below in this Subsection 4.11 or as required by law (which for purposes of this Subsection 4.11 shall include FATCA), all payments made by the Borrower or the Agents under this Agreement and any Notes shall be made free and clear of, and without deduction or withholding for or on account of any Taxes; provided that the Borrower or the Agents may withhold from any payment made under this Agreement or any Notes to or for the benefit of any Person who is not a United States Person any U.S. federal withholding tax that would apply to such payment if all payments of interest (including original issue discount), fees and commissions under this Agreement and any Notes were treated as income from sources within the United States for U.S. federal income tax purposes; provided further that if any Non-Excluded Taxes are required to be withheld from any amounts payable by the Borrower to any Agent or any Lender hereunder or under any Notes, the amounts so payable by the Borrower shall be increased to the extent necessary to yield to such Agent or such Lender (after payment of all Non-Excluded Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement; provided, however, that the Borrower shall be entitled to deduct and withhold, and the Borrower shall not be required to indemnify for, any Non-Excluded Taxes, and any such amounts payable by the Borrower to or for the account of any Agent or Lender shall not be increased (x) if such Agent or Lender fails to comply with the requirements of clause (b), (c), (d) or (e) of this Subsection 4.11 or with the requirements of Subsection 4.13, or (y) with respect to any Non-Excluded Taxes imposed in connection with the payment of any fees paid under this Agreement unless such Non-Excluded Taxes are imposed as a result of a Change in Law, or (z) with respect to any Non-Excluded Taxes imposed by the United States or any state or political subdivision thereof, unless such Non-Excluded Taxes are imposed as a result of a change in treaty, law or regulation that occurred after such Agent became an Agent hereunder or such Lender became a Lender hereunder (or, if such Agent or Lender is a non-U.S. intermediary or flow-through entity for U.S. federal income tax purposes, after the relevant beneficiary or member of such Agent or Lender became such a beneficiary or member, if later) (any such change, at such time, a "Change in Law"). Whenever any Non-Excluded Taxes are payable by the Borrower, as promptly as possible thereafter the Borrower shall send to the Administrative Agent for its own account or for the account of the respective Lender or Agent, as the case may be, a certified copy of an original official receipt received by the Borrower showing payment thereof. If the Borrower fails to pay any Non-Excluded Taxes when due to the appropriate Governmental Authority in accordance with applicable law or the Borrower fails to remit to the Administrative Agent the required receipts or other required documentary evidence, the Borrower shall indemnify the Administrative Agent, the Lenders and the Agents for any incremental Taxes, interest or penalties that may become payable by the Administrative Agent or any Lender as a result of any such failure. The agreements in this Subsection 4.11 shall survive the termination of this Agreement and the payment of the Term Loans and all other amounts payable hereunder.

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(b) Each Agent and each Lender that is not a United States Person shall:

(i) (1) on or before the date of any payment by the Borrower under this Agreement or any Notes to, or for the account of, such Agent or Lender, deliver to the Borrower and the Administrative Agent (A) two accurate and complete original signed Internal Revenue Service Forms W-8BEN-E (certifying that it is a resident of the applicable country within the meaning of the income tax treaty between the United States and that country) or Forms W-8ECI, or successor applicable form, as the case may be, in each case certifying that it is entitled to receive all payments under this Agreement and any Notes without deduction or withholding of any U.S. federal income taxes, and (B) such other forms, documentation or certifications, as the case may be, certifying that it is entitled to an exemption from United States backup withholding tax with respect to payments under this Agreement and any Notes;

(2) deliver to the Borrower and the Administrative Agent two further accurate and complete original signed forms or certifications provided in Subsection 4.11(b)(i)(1) on or before the date that any such form or certification expires or becomes obsolete and after the occurrence of any event requiring a change in the most recent form or certificate previously delivered by it to the Borrower;

(3) obtain such extensions of time for filing and completing such forms or certifications as may reasonably be requested by the Borrower or the Administrative Agent; and

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(4) deliver, to the extent legally entitled to do so, upon reasonable request by the Borrower, to the Borrower and the Administrative Agent such other forms as may be reasonably required in order to establish the legal entitlement of such Agent or such Lender to an exemption from, or reduction of, withholding with respect to payments under this Agreement and any Notes, provided that, in determining the reasonableness of a request under this clause (4), such Lender shall be entitled to consider the cost (to the extent unreimbursed by any Loan Party) which would be imposed on such Lender of complying with such request; or

(ii) in the case of any such Lender that is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code and is claiming the so-called "portfolio interest exemption",

(1) represent to the Borrower and the Administrative Agent that it is not (A) a bank within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code;

(2) on or before the date of any payment by the Borrower under this Agreement or any Notes to, or for the account of, such Lender, deliver to the Borrower and the Administrative Agent, (A) two certificates substantially in the form of Exhibit D hereto (any such certificate a "U.S. Tax Compliance Certificate") and (B) two accurate and complete original signed Internal Revenue Service Forms W-8BEN-E, or successor applicable form, certifying to such Lender's legal entitlement at the date of such form to an exemption from U.S. withholding tax under the provisions of Section 871(h) or Section 881(c) of the Code with respect to payments to be made under this Agreement and any Notes and (C) such other forms, documentation or certifications, as the case may be certifying that it is entitled to an exemption from United States backup withholding tax with respect to payments under this Agreement and any Notes (and shall also deliver to the Borrower and the Administrative Agent two further accurate and complete original signed forms or certificates on or before the date it expires or becomes obsolete and after the occurrence of any event requiring a change in the most recently provided form or certificate and, if necessary, obtain any extensions of time reasonably requested by the Borrower or the Administrative Agent for filing and completing such forms or certificates); and

(3) deliver, to the extent legally entitled to do so, upon reasonable request by the Borrower, to the Borrower and the Administrative Agent such other forms as may be reasonably required in order to establish the legal entitlement of such Lender to an exemption from, or reduction of, withholding with respect to payments under this Agreement and any Notes, provided that, in determining the reasonableness of a request under this clause (3), such Lender shall be entitled to consider the cost (to the extent unreimbursed by the Borrower) which would be imposed on such Lender of complying with such request; or

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(iii) in the case of any such Agent or Lender that is a non-U.S. intermediary or flow-through entity for U.S. federal income tax purposes,

(1) on or before the date of any payment by the Borrower under this Agreement or any Notes to, or for the account of, such Agent or Lender, deliver to the Borrower and the Administrative Agent two accurate and complete original signed Internal Revenue Service Forms W-8IMY, or successor applicable form, and, if any beneficiary or member of such Agent or such Lender is claiming the so-called "portfolio interest exemption", (I) represent to the Borrower and the Administrative Agent that such Agent or such Lender is not (A) a bank within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code, and (II) also deliver to the Borrower and the Administrative Agent two U.S. Tax Compliance Certificates certifying to such Agent's or such Lender's legal entitlement at the date of such certificate to an exemption from U.S. withholding tax under the provisions of Section 881(c) of the Code with respect to payments to be made under this Agreement and any Notes; and

(A) with respect to each beneficiary or member of such Agent or Lender that is not claiming the so-called "portfolio interest exemption", also deliver to the Borrower and the Administrative Agent (I) two accurate and complete original

signed Internal Revenue Service Forms W-8BEN-E (certifying that such beneficiary or member is a resident of the applicable country within the meaning of the income tax treaty between the United States and that country), Forms W-8ECI or Forms W-9, or successor applicable form, as the case may be, in each case so that each such beneficiary or member is entitled to receive all payments under this Agreement and any Notes without deduction or withholding of any U.S. federal income taxes and (II) such other forms, documentation or certifications, as the case may be, certifying that each such beneficiary or member is entitled to an exemption from United States backup withholding tax with respect to all payments under this Agreement and any Notes; and

(B) with respect to each beneficiary or member of such Lender that is claiming the so-called "portfolio interest exemption", (I) represent to the Borrower and the Administrative Agent that such beneficiary or member is not (1) a bank within the meaning of Section 881(c)(3)(A) of the Code, (2) a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (3) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code, and (II) also deliver to the Borrower and the Administrative Agent two U.S. Tax Compliance Certificates from each beneficiary or member and two accurate and complete original signed Internal Revenue Service Forms W-8BEN-E, or successor applicable form, certifying to such beneficiary's or member's legal entitlement at the date of such certificate to an exemption from U.S. withholding tax under the provisions of Section 871(h) or Section 881(c) of the Code with respect to payments to be made under this Agreement and any Notes, and (III) also deliver to the Borrower and the Administrative Agent such other forms, documentation or certifications, as the case may be, certifying that it is entitled to an exemption from United States backup withholding tax with respect to payments under this Agreement and any Notes;

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(2) deliver to the Borrower and the Administrative Agent two further accurate and complete original signed forms, certificates or certifications referred to above on or before the date any such form, certificate or certification expires or becomes obsolete, or any beneficiary or member changes, and after the occurrence of any event requiring a change in the most recently provided form, certificate or certification and obtain such extensions of time reasonably requested by the Borrower or the Administrative Agent for filing and completing such forms, certificates or certifications; and

(3) deliver, to the extent legally entitled to do so, upon reasonable request by the Borrower, to the Borrower and the Administrative Agent such other forms as may be reasonably required in order to establish the legal entitlement of such Agent or Lender (or beneficiary or member) to an exemption from, or reduction of, withholding with respect to payments under this Agreement and any Notes, provided that in determining the reasonableness of a request under this clause (3) such Agent or Lender shall be entitled to consider the cost (to the extent unreimbursed by the Borrower) which would be imposed on such Agent or Lender (or beneficiary or member) of complying with such request;

unless, in any such case (other than with respect to United States backup withholding tax), there has been a Change in Law which renders all such forms inapplicable or which would prevent such Agent or such Lender (or such beneficiary or member) from duly completing and delivering any such form with respect to it and such Agent or such Lender so advises the Borrower and the Administrative Agent.

(c) Each Lender and each Agent, in each case that is a United States Person, shall, on or before the date of any payment by the Borrower under this Agreement or any Notes to such Lender or Agent, deliver to the Borrower and the Administrative Agent two accurate and complete original signed Internal Revenue Service Forms W-9, or successor applicable form, certifying that such Lender or Agent is a United States Person and that such Lender or Agent is entitled to complete exemption from United States backup withholding tax.

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(d) Notwithstanding the foregoing, if the Administrative Agent is not a United States Person, on or before the date of any payment by the Borrower under this Agreement or any Notes to the Administrative Agent, the Administrative Agent shall:

(i) deliver to the Borrower (A) two accurate and complete original signed Internal Revenue Service Forms W-8ECI, or successor applicable form, with respect to any amounts payable to the Administrative Agent for its own account, (B) two accurate and complete original signed Internal Revenue Service Forms W-8IMY, or successor applicable form, with respect to any amounts payable to the Administrative Agent for the account of others, certifying that it is a "U.S. branch" and that the payments it receives for the account of others are not effectively connected with the conduct of its trade or business in the United States and that it is using such form as evidence of its agreement with the Borrower to be treated as a U.S. person with respect to such payments (and the Borrower and the Administrative Agent agree to so treat the Administrative Agent as a U.S. person with respect to such payments as contemplated by U.S. Treasury Regulation § 1.1441-1(b)(2)(iv)) and (C) such other forms or certifications as may be sufficient under applicable law to

establish that the Administrative Agent is entitled to receive any payment by the Borrower under this Agreement or any Notes (whether for its own account or for the account of others) without deduction or withholding of any U.S. federal income taxes;

(ii) deliver to the Borrower two further accurate and complete original signed forms or certifications provided in Subsection 4.11(d)(i) on or before the date that any such form or certification expires or becomes obsolete and after the occurrence of any event requiring a change in the most recent form or certificate previously delivered by it to the Borrower; and

(iii) obtain such extensions of time for filing and completing such forms or certifications as may reasonably be requested by the Borrower or the Administrative Agent;

unless in any such case (other than with respect to United States backup withholding tax) there has been a Change in Law which renders all such forms inapplicable or which would prevent the Administrative Agent from duly completing and delivering any such form with respect to it and the Administrative Agent so advises the Borrower.

(e) If a payment made to an Agent or a Lender under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Agent or such Lender were to fail to comply with the applicable reporting requirements of FATCA, such Agent or such Lender shall deliver to the Administrative Agent and the Borrower, at the time or times prescribed by law and at such time or times reasonably requested by the Administrative Agent or the Borrower, such documentation prescribed by applicable law and such additional documentation reasonably requested by the Administrative Agent or the Borrower as may be necessary for the Administrative Agent and the Borrower to comply with their respective obligations (including any applicable reporting requirements) under FATCA, to determine whether such Agent or such Lender has complied with such Agent's or such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. For the avoidance of doubt, the Borrower and the Administrative Agent shall be permitted to withhold any Taxes imposed by FATCA.

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4.12 Indemnity. The Borrower agrees to indemnify each Lender in respect of Extensions of Credit made, or requested to be made, to the Borrower, and to hold each such Lender harmless from any loss or expense which such Lender may sustain or incur (other than through such Lender's bad good faith gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final and nonappealable decision) as a consequence of (a) default by the Borrower in making a borrowing of, conversion into or continuation of Eurodollar Term SOFR Rate Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (b) default by the Borrower in making any prepayment or conversion of Eurodollar Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (c) the making of a payment or prepayment of Eurodollar Term SOFR Rate Loans or the conversion of Eurodollar Term SOFR Rate Loans on a day which is not the last day of an Interest Period with respect thereto. Such indemnification may include an amount equal to the excess, if any, of (i) the amount of interest which would have accrued on the amount so prepaid, or converted, or not so borrowed, converted or continued, for the period from the date of such prepayment or conversion or of such failure to borrow, convert or continue to the last day of the applicable Interest Period (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Eurodollar Term SOFR Rate Loans provided for herein (excluding, however, the Applicable Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) which would have accrued to such Lender on such amount by placing such amount on deposit at the then applicable Term SOFR Rate for a comparable period ~~with leading banks in the interbank eurodollar market~~. If any Lender becomes entitled to claim any amounts under the indemnity contained in this Subsection 4.12, it shall provide prompt notice thereof to the Borrower, through the Administrative Agent, certifying (x) that one of the events described in clause (a), (b) or (c) has occurred and describing in reasonable detail the nature of such event, (y) as to the loss or expense sustained or incurred by such Lender as a consequence thereof and (z) as to the amount for which such Lender seeks indemnification hereunder and a reasonably detailed explanation of the calculation thereof. Such a certificate as to any indemnification pursuant to this Subsection 4.12 submitted by such Lender, through the Administrative Agent, to the Borrower shall be conclusive in the absence of manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within five Business Days after receipt thereof. This covenant shall survive the termination of this Agreement and the payment of the Term Loans and all other amounts payable hereunder.

4.13 Certain Rules Relating to the Payment of Additional Amounts. (a) Upon the request, and at the expense of the Borrower, each Lender and Agent to which the Borrower is required to pay any additional amount pursuant to Subsection 4.10 or 4.11, and any Participant in respect of whose participation such payment is required, shall reasonably afford properly reflect the Borrower the opportunity to contest, and reasonably cooperate with the Borrower in contesting, the imposition of any Non-Excluded Tax giving rise to such payment; provided that (i) such Lender or Agent shall not be required to afford the Borrower the opportunity to so contest unless the Borrower shall have confirmed in writing to such Lender or Agent its obligation to pay such amounts pursuant to this Agreement and (ii) the Borrower shall reimburse such Lender or Agent for its reasonable attorneys' and accountants' fees and disbursements incurred in so cooperating with the Borrower in contesting the imposition of such Non-Excluded Tax; provided, however, that notwithstanding the foregoing no Lender

or Agent shall be required to afford the Borrower the opportunity to contest, or cooperate with the Borrower in contesting, the imposition of any Non-Excluded Taxes, if such Lender or Agent in its sole discretion in good faith determines that to do so would have an adverse effect on it.

(b) If a Lender changes its applicable lending office (other than (i) pursuant to clause (c) below or (ii) after an Event of Default under Subsection 9.1(a) or (f) has occurred and is continuing) and the effect of such change, as of the date of such change, would be to cause the Borrower to become obligated to pay any additional amount under Subsection 4.10 or 4.11, the Borrower shall not be obligated to pay such additional amount.

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(c) If a condition or an event occurs which would, or would upon the passage of time or giving of notice, result in the payment of any additional amount to any Lender or Agent by the Borrower pursuant to Subsection 4.10 or 4.11 or result in Affected Loans or commitments to make Affected Loans being automatically converted to ABR Loans or Loans bearing an alternate rate of interest or commitments to make ABR Loans or Loans bearing an alternate rate of interest, as the case may be, pursuant to Subsection 4.9, such Lender or Agent shall promptly notify the Borrower and the Administrative Agent and shall take such steps as may reasonably be available to it to mitigate the effects of such condition or event (which shall include efforts to rebook the Loans and Commitments held by such Lender at another lending office, or through another branch or an affiliate, of such Lender); provided that such Lender or Agent shall not be required to take any step that, in its reasonable judgment, would be materially disadvantageous to its business or operations or would require it to incur additional costs (unless the Borrower agrees to reimburse such Lender or Agent for the reasonable incremental out-of-pocket costs thereof).

(d) If the Borrower shall become obligated to pay additional amounts pursuant to Subsection 4.10 or 4.11 and any affected Lender shall not have promptly taken steps necessary to avoid the need for payments under Subsection 4.10 or 4.11 or if Affected Loans or commitments to make Affected Loans are automatically converted to ABR Loans or Loans bearing an alternate rate of interest or commitments to make ABR Loans or Loans bearing an alternate rate of interest, as the case may be, under Subsection 4.9 and any affected Lender shall not have promptly taken steps necessary to avoid the need for such conversion under Subsection 4.9, the Borrower shall have the right, for so long as such obligation remains, (i) with the assistance of the Administrative Agent to seek one or more substitute Lenders reasonably satisfactory to the Administrative Agent and the Borrower to purchase the affected Loan or Commitment, in whole or in part, at an aggregate price no less than such Loan's or Commitment's principal amount plus accrued interest, and assume the affected obligations under this Agreement, or (ii) so long as no Event of Default under Subsection 9.1(a) or (f) then exists or will exist immediately after giving effect to the respective prepayment, upon notice to the Administrative Agent to prepay the affected Loan, in whole or in part, subject to Subsection 4.12, without premium or penalty. In the case of the substitution of a Lender, then, the Borrower, the Administrative Agent, the affected Lender, and any substitute Lender shall execute and deliver an appropriately completed Assignment and Acceptance pursuant to Subsection 11.6(b) to effect the assignment of rights to, and the assumption of obligations by, the substitute Lender; provided that any fees required to be paid by Subsection 11.6(b) in connection with such assignment shall be paid by the Borrower or the substitute Lender. In the case of a prepayment of an affected Loan, the amount specified in the notice shall be due and payable on the date specified therein, together with any accrued interest to such date on the amount prepaid. In the case of each of the substitution of a Lender and of the prepayment of an affected Loan, the Borrower shall first pay the affected Lender any additional amounts owing under Subsections 4.10 and 4.11 (as well as any commitment fees and other amounts then due and owing to such Lender, including any amounts under this Subsection 4.13) prior to such substitution or prepayment. In the case of the substitution of a Lender pursuant to this Subsection 4.13(d), if the Lender being replaced does not execute and deliver to the Administrative Agent a duly completed Assignment and Acceptance and/or any other documentation necessary to reflect such replacement by the later of (a) the date on which the assignee Lender executes and delivers such Assignment and Acceptance and/or such other documentation and (b) the date as of which all obligations of the Borrower owing to such replaced Lender relating to the Loans and participations so assigned shall be paid in full by the assignee Lender and/or the Borrower to such Lender being replaced, then the Lender being replaced shall be deemed to have executed and delivered such Assignment and Acceptance and/or such other documentation as of such date and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Acceptance and/or such other documentation on behalf of such Lender.

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(e) If any Agent or any Lender receives a refund directly attributable to Taxes for which the Borrower has made additional payments pursuant to Subsection 4.10(a) or 4.11(a), such Agent or such Lender, as the case may be, shall promptly pay such refund (together with any interest with respect thereto received from the relevant taxing authority, but net of any reasonable cost incurred in connection therewith) to the Borrower; provided, however, that the Borrower agrees promptly to return such refund (together with any interest with respect thereto due to the relevant taxing authority) (free of all Non-Excluded Taxes) to such Agent or the applicable Lender, as the case may be, upon receipt of a notice that such refund is required to be repaid to the relevant taxing authority.

(f) The obligations of any Agent, Lender or Participant under this Subsection 4.13 shall survive the termination of this Agreement and the payment of the Term Loans and all amounts payable hereunder.

4.14 Defaulting Lender. Notwithstanding anything contained in this Agreement to the contrary, if any Revolving Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Revolving Lender is a Defaulting Lender:

(a) in determining the Required Lenders, any Lender that at the time is a Defaulting Lender (and the Loans and/or Incremental Revolving Commitment of such Defaulting Lender) shall be excluded and disregarded; and

(b) the Borrower shall have the right, at its sole expense and effort (i) to seek one or more Persons reasonably satisfactory to the Administrative Agent and the Borrower to each become a substitute Revolving Lender and assume all or part of the Commitment of any Defaulting Lender and the Borrower, the Administrative Agent and any such substitute Revolving Lender shall execute and deliver, and such Defaulting Lender shall thereupon be deemed to have executed and delivered, an appropriately completed Assignment and Acceptance to effect such substitution or (ii) so long as no Event of Default under Subsection 9.1(a) or (f) then exists or will exist immediately after giving effect to the respective prepayment, upon notice to the Administrative Agent, to prepay the Loans and, at the Borrower's option, terminate the Commitments of such Defaulting Lender, in whole or in part, without premium or penalty.

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SECTION 5

Representations and Warranties

To induce the Administrative Agent and each Lender to make the Extensions of Credit requested to be made by it on the Closing Date and on each other date thereafter on which an Extension of Credit is made, the Borrower with respect to itself and its Restricted Subsidiaries, hereby represents and warrants, on the Closing Date, in each case after giving effect to the Transactions (solely to the extent required to be true and correct for such Extension of Credit pursuant to Subsection 6.1), and on every other date thereafter on which an Extension of Credit is made (solely to the extent required to be true and correct for such Extension of Credit pursuant to Subsection 6.2), to the Administrative Agent and each Lender that:

5.1 Financial Condition. (a) (i) The audited combined balance sheets of the Waterworks Business as of January 29, 2017 and January 31, 2016 and related statements of operations and cash flows of the Waterworks Business for the fiscal years ended January 29, 2017, January 31, 2016 and February 1, 2015 reported on by and accompanied by unqualified reports from PricewaterhouseCoopers LLP and (ii) unaudited combined balance sheets and related statements of operations and cash flows of the Waterworks Business for the fiscal quarter ended April 30, 2017, presents fairly, in all material respects, the financial condition as at such dates, and the statements of operations and cash flows of the Waterworks Business for the periods then ended, of the Waterworks Business. All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP consistently applied throughout the periods covered thereby (except as approved by a Responsible Officer, and disclosed in any such schedules and notes).

(b) As of the Closing Date, except as set forth in the financial statements referred to in Subsection 5.1(a), there are no liabilities of any Loan Party of any kind, whether accrued, contingent, absolute, determined, determinable or otherwise, which would reasonably be expected to result in a Material Adverse Effect.

(c) The unaudited pro forma consolidated balance sheet and related unaudited pro forma statement of operations of the Waterworks Business and its Subsidiaries as of and for the 12-month period ending April 30, 2017, adjusted to give effect (as if such events had occurred on such date for purposes of the balance sheet and at the beginning of such period, for purposes of the statement of operations), to the consummation of the Transactions, and the Extensions of Credit hereunder on the Closing Date.

(d) The Projections have been prepared by management of the Borrower in good faith based upon assumptions believed by management to be reasonable at the time of preparation thereof (it being understood that such Projections, and the assumptions on which they were based, may or may not prove to be correct).

5.2 No Change: Solvent. Since May 2, 2021, there has been no development or event relating to or affecting any Loan Party which has had or would be reasonably expected to have a Material Adverse Effect (after giving effect to (i) the consummation of the Transactions and the Tranche B Effective Date Transactions, (ii) the making of the Extensions of Credit to be made on the Closing Date and the First Amendment Effective Date and the application of the proceeds thereof as contemplated hereby, and (iii) the payment of actual or estimated fees, expenses, financing costs and tax payments related to the Transactions and Tranche B Effective Date Transactions contemplated hereby). As of the Closing Date, after giving effect to the consummation of the Transactions to be consummated on the Closing Date, the Borrower, together with its Subsidiaries on a consolidated basis, is Solvent.

5.3 Corporate Existence; Compliance with Law. Each of the Loan Parties (a) is duly organized, validly existing and (to the extent applicable in the relevant jurisdiction) in good standing under the laws of the jurisdiction of its incorporation or formation, except (other than with respect to the Borrower), to the extent that the failure to be organized, existing and (to the extent applicable) in good standing would not reasonably be expected to have a Material Adverse Effect, (b) has the legal right to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, except to the extent that the failure to have such legal right would not be reasonably expected to have a Material Adverse Effect, (c) is duly qualified as a foreign corporation or limited liability company and (to the extent applicable in the relevant jurisdiction) in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification, other than in such jurisdictions where the failure to be so qualified and (to the extent applicable) in good standing would not be reasonably expected to have a Material Adverse Effect and (d) is in compliance with all Requirements of Law, except to the extent that the failure to comply therewith would not, in the aggregate, be reasonably expected to have a Material Adverse Effect.

5.4 Corporate Power; Authorization; Enforceable Obligations. Each Loan Party has the corporate or other organizational power and authority, and the legal right, to make, deliver and perform the Loan Documents to which it is a party and, in the case of the Borrower, to obtain Extensions of Credit hereunder, and each such Loan Party has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Loan Documents to which it is a party and, in the case of the Borrower, to authorize the Extensions of Credit to it, if any, on the terms and conditions of this Agreement and any Notes. No consent or authorization of, filing with, notice to or other similar act by or in respect of, any Governmental Authority or any other Person is required to be obtained or made by or on behalf of any Loan Party in connection with the execution, delivery, performance, validity or enforceability of the Loan Documents to which it is a party or, in the case of the Borrower, with the Extensions of Credit to it, if any, hereunder, except for (a) consents, authorizations, notices and filings described in Schedule 5.4, all of which have been obtained or made prior to the Closing Date, (b) filings to perfect the Liens created by the Security Documents and (c) consents, authorizations, notices and filings which the failure to obtain or make would not reasonably be expected to have a Material Adverse Effect. This Agreement has been duly executed and delivered by the Borrower, and each other Loan Document to which any Loan Party is a party will be duly executed and delivered on behalf of such Loan Party. This Agreement constitutes a legal, valid and binding obligation of the Borrower and each other Loan Document to which any Loan Party is a party when executed and delivered will constitute a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms, in each case except as enforceability may be limited by applicable domestic or foreign bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

5.5 No Legal Bar. The execution, delivery and performance of the Loan Documents by any of the Loan Parties, the Extensions of Credit hereunder and the use of the proceeds thereof (a) will not violate any Requirement of Law or Contractual Obligation of such Loan Party in any respect that would reasonably be expected to have a Material Adverse Effect, (b) will not result in, or require the creation or imposition of any Lien (other than Liens securing the Term Loan Facility Obligations or otherwise permitted hereby) on any of its properties or revenues pursuant to any such Requirement of Law or Contractual Obligation and (c) will not violate any provision of the Organizational Documents of such Loan Party or any of the Restricted Subsidiaries, except (other than with respect to the Borrower) as would not reasonably be expected to have a Material Adverse Effect.

5.6 No Material Litigation. No litigation, investigation or proceeding by or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened by or against the Borrower or any of its Restricted Subsidiaries or against any of their respective properties or revenues, (a) except as described on Schedule 5.6, which is so pending or threatened at any time on or prior to the Closing Date and relates to any of the Loan Documents or any of the transactions contemplated hereby or thereby or (b) which would be reasonably expected to have a Material Adverse Effect.

5.7 No Default. Neither the Borrower nor any of its Restricted Subsidiaries is in default under or with respect to any of its Contractual Obligations in any respect which would be reasonably expected to have a Material Adverse Effect. Since the Closing Date, no Default or Event of Default has occurred and is continuing.

5.8 Ownership of Property; Liens. Each of the Borrower and its Restricted Subsidiaries has good title in fee simple to, or a valid leasehold interest in, all its material real property located in the United States of America, and good title to, or a valid leasehold interest in, all its other material property located in the United States of America, except those for which the failure to have such good title or such leasehold interest would not be reasonably expected to have a Material Adverse Effect, and none of such real or other property is subject to any Lien, except for Liens permitted hereby (including Permitted Liens).

5.9 Intellectual Property. The Borrower and each of its Restricted Subsidiaries owns beneficially, or has the legal right to use, all United States and foreign patents, patent applications, trademarks, trademark applications, design registrations and applications, trade names, copyrights, and rights in know-how and trade secrets necessary for each of them to conduct its business as currently conducted (the "Intellectual Property") except for those for which the failure to own or have such legal right to use would not be reasonably expected to have a Material Adverse Effect. Except as provided on Schedule 5.9, to the knowledge of the Borrower, (1) no claim has been asserted and is pending by any Person against the Borrower or any of its Restricted Subsidiaries challenging or questioning the use of any such Intellectual Property or the validity or effectiveness of any such Intellectual Property and (2) the use of such Intellectual Property by the Borrower and its Restricted Subsidiaries does not infringe on the rights of any Person, except (in each case under the preceding clauses (1) and (2)) for such claims and infringements which in the aggregate, would not be reasonably expected to have a Material Adverse Effect.

5.10 Taxes. To the knowledge of the Borrower, (1) the Borrower and each of its Restricted Subsidiaries has filed or caused to be filed all material tax returns which are required to be filed by it and has paid (a) all Taxes shown to be due and payable on such returns and (b) all Taxes shown to be due and payable on any assessments of which it has received notice made against it or any of its property and all other Taxes imposed on it or any of its property by any Governmental Authority; and (2) no Tax Liens have been filed (except for Liens for Taxes not yet due and payable), and no claim is being asserted in writing, with respect to any such Taxes (in each case under the preceding clauses (1) and (2)) other than in respect of any such (i) Taxes with respect to which the failure to pay, in the aggregate, would not have a Material Adverse Effect or (ii) Taxes the amount or validity of which are currently being contested in good faith by appropriate proceedings diligently conducted and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or its Restricted Subsidiaries, as the case may be).

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5.11 Federal Regulations. No part of the proceeds of any Extensions of Credit will be used for any purpose which violates the provisions of the Regulations of the Board, including Regulation T, Regulation U or Regulation X of the Board. If requested by any Lender or the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form G-3 or FR Form U-1, referred to in said Regulation U.

5.12 ERISA. (a) During the five year period prior to each date as of which this representation is made, or deemed made, with respect to any Plan, none of the following events or conditions, either individually or in the aggregate, has resulted or is reasonably likely to result in a Material Adverse Effect: (i) a Reportable Event, (ii) a failure to satisfy the minimum funding standard (within the meaning of Section 412 of the Code or Section 302 of ERISA), (iii) any material noncompliance with the applicable provisions of ERISA or the Code, (iv) a termination of a Single Employer Plan (other than a standard termination pursuant to Section 4041(b) of ERISA), (v) a Lien on the property of the Borrower or its Restricted Subsidiaries in favor of the PBGC or a Plan, (vi) a complete or partial withdrawal from any Multiemployer Plan by the Borrower or any Commonly Controlled Entity, (vii) the Insolvency of any Multiemployer Plan or (viii) any transactions that resulted or could reasonably be expected to result in any liability to the Borrower or any Commonly Controlled Entity under Section 4069 of ERISA or Section 4212(c) of ERISA.

(b) With respect to any Foreign Plan, none of the following events or conditions exists and is continuing that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect: (i) substantial non-compliance with its terms or with the requirements of any applicable laws, statutes, rules, regulations and orders, (ii) failure to be maintained, where required, in good standing with applicable regulatory authorities, (iii) any obligation of the Borrower or its Restricted Subsidiaries in connection with the termination or partial termination of, or withdrawal from, any Foreign Plan, (iv) any Lien on the property of the Borrower or its Restricted Subsidiaries in favor of a Governmental Authority as a result of any action or inaction regarding a Foreign Plan, (v) for each Foreign Plan which is a funded or insured plan, failure to be funded or insured on an ongoing basis to the extent required by applicable non-U.S. law (using actuarial methods and assumptions which are consistent with the valuations last filed with the applicable Governmental Authorities, if applicable), (vi) any facts that, to the best knowledge of the Borrower or any of its Restricted Subsidiaries, exist that would reasonably be expected to give rise to a dispute and any pending or threatened disputes that, to the best knowledge of the Borrower or any of its Restricted Subsidiaries, would reasonably be expected to result in a material liability to the Borrower or any of its Restricted Subsidiaries concerning the assets of any Foreign Plan (other than individual claims for the payment of benefits) and (vii) failure to make all contributions in a timely manner to the extent required by applicable non-U.S. law.

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5.13 Collateral. Upon execution and delivery thereof by the parties thereto, the Guarantee and Collateral Agreement will be effective to create (to the extent described therein) in favor of the Collateral Agent for the benefit of the Secured Parties, a valid and enforceable security interest in or liens on the Collateral described therein, except as to enforcement, as may be limited by applicable domestic or foreign bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied

covenant of good faith and fair dealing. When (a) all Filings (as defined in the Guarantee and Collateral Agreement) have been completed, (b) all applicable Instruments, Chattel Paper and Documents (each as described in the Guarantee and Collateral Agreement) constituting Collateral a security interest in which is perfected by possession have been delivered to, and/or are in the continued possession of, the Collateral Agent, the applicable Collateral Representative or any Additional Agent, as applicable (or their respective agents appointed for purposes of perfection), in accordance with the applicable ABL/Term Loan Intercreditor Agreement, Junior Lien Intercreditor Agreement or Other Intercreditor Agreement and (c) all Deposit Accounts and Pledged Stock (as defined in the Guarantee and Collateral Agreement) a security interest in which is required by the Security Documents to be perfected by "control" (as described in the Uniform Commercial Code as in effect in each applicable jurisdiction (in the case of Deposit Accounts) and the State of New York (in the case of Pledged Stock) from time to time) are under the "control" of the Collateral Agent, the Administrative Agent, the applicable Collateral Representative or any Additional Agent, as applicable (or their respective agents appointed for purposes of perfection), in accordance with the applicable ABL/Term Loan Intercreditor Agreement, Junior Lien Intercreditor Agreement or Other Intercreditor Agreement, the security interests and liens granted pursuant to the Guarantee and Collateral Agreement shall constitute (to the extent described therein) a perfected security interest in (to the extent intended to be created thereby and required to be perfected under the Loan Documents), all right, title and interest of each pledgor party thereto in the Collateral described therein (excluding Commercial Tort Claims, as defined in the Guarantee and Collateral Agreement, other than such Commercial Tort Claims set forth on Schedule 6 thereto (if any)) with respect to such pledgor. Notwithstanding any other provision of this Agreement, capitalized terms that are used in this Subsection 5.13 and not defined in this Agreement are so used as defined in the applicable Security Document.

5.14 Investment Company Act; Other Regulations. The Borrower is not required to be registered as an "investment company", or a company "controlled" by an entity required to be registered as an "investment company", within the meaning of the Investment Company Act. The Borrower is not subject to regulation under any federal or state statute or regulation (other than Regulation X of the Board) which limits its ability to incur Indebtedness as contemplated hereby.

5.15 Subsidiaries. Schedule 5.15 sets forth all the Subsidiaries of the Borrower at the Closing Date (after giving effect to the Transactions), the jurisdiction of their organization and the direct or indirect ownership interest of the Borrower therein.

5.16 Purpose of Loans. The proceeds of Term Loans shall be used by the Borrower (i) in the case of the Original Initial Term Loans, to effect, in part, the Transactions, and to pay certain fees, premiums and expenses relating thereto, (ii) in the case of the Tranche B Term Loans, to effect, in part, the Tranche B Effective Date Transactions, and to pay certain fees, premiums and expenses relating thereto, and (iii) in the case of all other Term Loans, other than those described in clauses (i) and (ii), to finance the working capital, capital expenditures, business requirements of the Borrower and its Subsidiaries and for other purposes not prohibited by this Agreement.

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5.17 Environmental Matters. Except as disclosed on Schedule 5.17 or as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect:

(a) The Borrower and its Restricted Subsidiaries: (i) are, and within the period of all applicable statutes of limitation have been, in compliance with all applicable Environmental Laws; (ii) hold all Environmental Permits (each of which is in full force and effect) required for any of their current operations or for any property owned, leased, or otherwise operated by any of them; and (iii) are, and within the period of all applicable statutes of limitation have been, in compliance with all of their Environmental Permits.

(b) Materials of Environmental Concern have not been transported, disposed of, emitted, discharged, or otherwise released, to, at or from any real property presently or, to the knowledge of the Borrower or any of its Restricted Subsidiaries, formerly owned, leased or operated by the Borrower or any of its Restricted Subsidiaries or at any other location, which would reasonably be expected to (i) give rise to liability or other Environmental Costs of the Borrower or any of its Restricted Subsidiaries under any applicable Environmental Law or (ii) interfere with the planned or continued operations of the Borrower and its Restricted Subsidiaries.

(c) There is no judicial, administrative, or arbitral proceeding (including any notice of violation or alleged violation) under any Environmental Law to which the Borrower or any of its Restricted Subsidiaries is, or to the knowledge of the Borrower or any of its Restricted Subsidiaries is reasonably likely to be, named as a party that is pending or, to the knowledge of the Borrower or any of its Restricted Subsidiaries, threatened.

(d) Neither the Borrower nor any of its Restricted Subsidiaries has received any written request for information, or been notified that it is a potentially responsible party, under the federal Comprehensive Environmental Response, Compensation, and Liability Act or any similar Environmental Law, or received any other written request for information from any Governmental Authority with respect to any Materials of Environmental Concern.

(e) Neither the Borrower nor any of its Restricted Subsidiaries has entered into or agreed to any consent decree, order, or settlement or other agreement, nor is subject to any judgment, decree, or order or other agreement, in any judicial, administrative,

5.18 No Material Misstatements. The written information (including the Confidential Information Memorandum), reports, financial statements, exhibits and schedules furnished by or on behalf of the Borrower to the Administrative Agent, the Other Representatives and the Lenders on or prior to the Closing Date in connection with the negotiation of any Loan Document or included therein or delivered pursuant thereto, taken as a whole, did not contain as of the Closing Date any material misstatement of fact and did not omit to state as of the Closing Date any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading in their presentation of the Borrower and its Restricted Subsidiaries taken as a whole. It is understood that (a) no representation or warranty is made concerning the forecasts, estimates, pro forma information, projections and statements as to anticipated future performance or conditions, and the assumptions on which they were based or concerning any information of a general economic nature or general information about the Borrower's and its Subsidiaries' industry, contained in any such information, reports, financial statements, exhibits or schedules, except that, in the case of such forecasts, estimates, pro forma information, projections and statements, as of the date such forecasts, estimates, pro forma information, projections and statements were generated, (i) such forecasts, estimates, pro forma information, projections and statements were based on the good faith assumptions of the management of the Borrower and (ii) such assumptions were believed by such management to be reasonable and (b) such forecasts, estimates, pro forma information and statements, and the assumptions on which they were based, may or may not prove to be correct.

5.19 Labor Matters. There are no strikes pending or, to the knowledge of the Borrower, reasonably expected to be commenced against the Borrower or any of its Restricted Subsidiaries which, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. The hours worked and payments made to employees of the Borrower and each of its Restricted Subsidiaries have not been in violation of any applicable laws, rules or regulations, except where such violations would not reasonably be expected to have a Material Adverse Effect.

5.20 Insurance. Schedule 5.20 sets forth a complete and correct listing, as of the date that is two Business Days prior to the Closing Date, of all insurance that is (a) maintained by the Loan Parties (other than any Holding Company) and (b) material to the business and operations of the Borrower and its Restricted Subsidiaries taken as a whole, with the amounts insured (and any deductibles) set forth therein.

5.21 Anti-Terrorism. To the extent applicable, except as would not reasonably be expected to have a Material Adverse Effect, each Holding Company, the Borrower and each Restricted Subsidiary is in compliance with (a) the PATRIOT Act, (b) the Trading with the Enemy Act, as amended and (c) any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"), U.S. Department of State, United Nations Security Council, European Union or Her Majesty's Treasury (collectively, "Sanctions") and any other enabling legislation or executive order relating thereto. Neither any Loan Party nor, except as would not reasonably be expected to have a Material Adverse Effect, (i) any Restricted Subsidiary that is not a Loan Party or (ii) to the knowledge of the Borrower, any director, officer or employee of any Holding Company, the Borrower or any Restricted Subsidiary, is the target of any Sanctions. None of the Holding Companies, the Borrower or any Restricted Subsidiary will knowingly use the proceeds of the Loans for the purpose of funding or financing any activities or business of or with any Person, or in any country or territory, that at the time of such funding or financing is restricted under Sanctions.

SECTION 6

Conditions Precedent

6.1 Conditions to Initial Extension of Credit. This Agreement, including the agreement of each Lender to make the initial Extension of Credit requested to be made by it, shall become effective on the date on which the following conditions precedent shall have been satisfied or waived:

(a) **Loan Documents.** The Administrative Agent shall have received (or, in the case of certain Loan Parties, shall receive substantially concurrently with the satisfaction of the other conditions precedent set forth in this Subsection 6.1) the following Loan Documents, executed Section 2.1(h) and delivered as required below:

(i) this Agreement, executed and delivered by the Borrower;

(ii) ABL/Term Loan Intercreditor Agreement, acknowledged by a duly authorized officer of each Loan Party; and

(iii) the Guarantee and Collateral Agreement, executed and delivered by each Loan Party required to be a signatory thereto;

provided that, clause (iii) above notwithstanding, but without limiting the requirements set forth in Subsections 6.1(g) and (h), to the extent that a valid security interest in the Collateral covered by the Guarantee and Collateral Agreement (to the extent and with priority contemplated thereby) is not provided on the Closing Date and to the extent any Holding Company and its Subsidiaries have used commercially reasonable efforts to provide such Collateral, the provisions of clause (iii) above shall be deemed to have been satisfied and the Loan Parties shall be required to provide such Collateral in accordance with the provisions set forth in Subsection 7.13 if, and only if, each Loan Party shall have executed and delivered the Guarantee and Collateral Agreement to the Administrative Agent and the Administrative Agent shall have a perfected security interest in all Collateral of the type for which perfection may be accomplished by filing a UCC financing statement and shall have possession of all certificated Capital Stock of the Borrower and of its Domestic Subsidiaries (to the extent constituting Collateral) together with undated stock powers executed in blank (provided that certificated Capital Stock of the Waterworks Business and its Subsidiaries will only be required to be delivered on the Closing Date to the extent received from the Sellers so long as the Borrower has used reasonable best efforts to obtain them on the Closing Date).

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(b) Plumb Acquisition Agreement. The Waterworks Acquisition shall have been or, substantially concurrently with the initial funding pursuant to the Debt Financing, shall be, consummated in all material respects in accordance with the terms of the Plumb Acquisition Agreement, without giving effect to any modifications, amendments, express waivers or express consents thereunder by the Borrower that are materially adverse to the Lenders without the consent of the Lead Arrangers (such consent not to be unreasonably withheld, conditioned or delayed) (it being understood and agreed that (A) any change in the purchase price shall not be deemed to be materially adverse to the Lenders but (x) any resulting reduction in cash uses shall be allocated (I) first, to a reduction in the Equity Contribution to 25% of the pro forma capitalization of the Borrower after giving effect to the Transactions and (II) second, (1) 75% to a reduction of the aggregate principal amount of the Senior Notes, which reduction in the Senior Notes shall not result in an aggregate principal amount of the Senior Notes of less than \$250,000,000 (followed by a reduction of the Initial Term Loan Facility) and (2) 25% to a reduction in the Equity Contribution and (y) any increase in purchase price (excluding, for the avoidance of doubt, any purchase price adjustments in accordance with the terms of the Plumb Acquisition Agreement) shall be funded (at the Borrower's option) with the proceeds of an equity contribution (which shall be on terms consistent with the requirements for the Equity Contribution set forth in Subsection 6.1(c)) and/or ABL Facility Loans and (B) any modification, amendment, express consent or express waiver to the definition of "Material Adverse Effect" in the Plumb Acquisition Agreement shall be deemed to be materially adverse to the Lenders.

"True-Up Adjustment Amount."

(c) Equity Contribution. The Equity Contribution shall have been, or substantially concurrently with the initial funding pursuant to the Debt Financing shall be, consummated, which to the extent including equity interests of any Holding Company or the Borrower shall be common equity interests thereof.

(d) Financial Information. The Committed Lenders shall have received (I) (i) audited combined balance sheets Section 4.2 of the Waterworks Business as of January 29, 2017 and January 31, 2016 and related statements of operations and cash flows of the Waterworks Business for the fiscal years ended January 29, 2017, January 31, 2016 and February 1, 2015, and (ii) unaudited combined balance sheets and related statements of operations and cash flows of the Waterworks Business for the fiscal quarter ended April 30, 2017 and (II) an unaudited pro forma consolidated balance sheet and a related unaudited pro forma combined statement of operations of the Waterworks Business as of and for the 12-month period ending on April 30, 2017 adjusted to give effect (as if such events had occurred on such date for purposes of the balance sheet and at the beginning of such period, for purposes of the statement of operations) to the consummation of the Transactions, and the Extensions of Credit hereunder on the Closing Date.

(e) Legal Opinions. The Administrative Agent shall have received the following executed legal opinions, each in form and substance reasonably satisfactory to the Administrative Agent:

- (i) executed legal opinion of Debevoise & Plimpton LLP, counsel to the Borrower and the other Loan Parties;
- (ii) executed legal opinions of Richards, Layton & Finger, P.A., special Delaware counsel to certain of the Loan Parties; and
- (iii) executed legal opinion of Holland & Knight LLP, special Florida counsel to certain of the Loan Parties.

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(f) Officer's Certificate. The Administrative Agent shall have received a certificate from the Borrower, dated the Closing Date, substantially in the form of Exhibit G hereto.

(g) Perfected Liens. The Collateral Agent shall have obtained a valid security interest in the Collateral covered by the Guarantee and Collateral Agreement (to the extent and with the priority contemplated therein

and in the ABL/Term Loan Intercreditor Agreement); and all documents, instruments, filings and recordations reasonably necessary in connection with the perfection and, in the case of the filings with the United States Patent and Trademark Office and the United States Copyright Office, protection of such security interests shall have been executed and delivered or made, or shall be delivered or made substantially concurrently with the initial funding pursuant to the Debt Financing under the Loan Documents pursuant to arrangements reasonably satisfactory to the Administrative Agent or, in the case of UCC filings, written authorization to make such UCC filings shall have been delivered to the Collateral Agent, and none of such Collateral shall be subject to any other pledges or security interests except for Permitted Liens or pledges or security interests to be released on the Closing Date; provided that with respect to any such Collateral the security interest in which may not be perfected by filing of a UCC financing statement or by possession of certificated Capital Stock of the Borrower or its Domestic Subsidiaries (to the extent constituting Collateral) (provided that certificated Capital Stock of the Waterworks Business and its Subsidiaries will only be required to be delivered on the Closing Date to the extent received from the Sellers, so long as the Borrower has used commercially reasonable efforts to obtain them on the Closing Date), if perfection of the Collateral Agent's security interest in such Collateral may not be accomplished on or before the Closing Date after the applicable Loan Party's commercially reasonable efforts to do so, then delivery of documents and instruments for perfection of such security interest shall not constitute a condition precedent to the initial borrowings hereunder if the applicable Loan Party agrees to deliver or cause to be delivered such documents and instruments, and take or cause to be taken such other actions as may be reasonably necessary to perfect such security interests in accordance with Subsection 7.13 and otherwise pursuant to arrangements to be mutually agreed by the applicable Loan Party and the Administrative Agent acting reasonably, but in no event later than the 91st day after the Closing Date (unless otherwise agreed by the Administrative Agent in its sole discretion).

(h) Pledged Stock; Stock Powers. The Collateral Agent shall have received the certificates, if any, representing the Pledged Stock under (and as defined in) the Guarantee and Collateral Agreement, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof; provided that such Pledged Stock and related stock powers of the Waterworks Business and its Subsidiaries will only be required to be delivered on the Closing Date to the extent received from the Sellers, so long as the Borrower has used reasonable best efforts to obtain them on the Closing Date; provided, further, that with respect to any such Pledged Stock other than Capital Stock of the Borrower and its Domestic Subsidiaries (to the extent constituting Collateral), if delivery of such Pledged Stock and related stock powers to the Collateral Agent may not be accomplished on or before the Closing Date after the applicable Loan Party's commercially reasonable efforts to do so, then delivery of such Pledged Stock and related stock powers shall not constitute a condition precedent to the initial borrowings hereunder if the applicable Loan Party agrees to deliver or cause to be delivered such Pledged Stock and related stock powers in accordance with Subsection 7.13 and otherwise pursuant to arrangements to be mutually agreed by the applicable Loan Party and the Administrative Agent acting reasonably, but in no event later than the 91st day after the Closing Date (unless otherwise agreed by the Administrative Agent in its sole discretion).

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(i) Lien Searches. The Collateral Agent shall have received customary lien searches requested by it at least 30 calendar days prior to the Closing Date.

(j) Fees. The Committed Lenders, the Lead Arrangers, the Agents and the Lenders, respectively, shall have received all fees related to the Transactions payable to them to the extent due (which may be offset against the proceeds of the Facilities).

(k) Secretary's Certificate. The Administrative Agent shall have received a certificate from the Borrower and, substantially concurrently with the satisfaction of the other conditions precedent set forth in this Subsection 6.1, each other Loan Party, dated the Closing Date, substantially in the form of Exhibit F hereto, with appropriate insertions and attachments of resolutions or other actions, evidence of incumbency and the signature of authorized signatories and Organizational Documents, executed by a Responsible Officer and the Secretary or any Assistant Secretary or other authorized representative of such Loan Party.

(l) No Closing Date Material Adverse Effect. Since June 4, 2017 there has not been any Closing Date Material Adverse Effect.

(m) Solvency. The Administrative Agent shall have received a certificate of the chief financial officer or treasurer (or other comparable officer) of the Waterworks Business certifying the Solvency, after giving effect to the Transactions, of the Borrower and its Subsidiaries on a consolidated basis in substantially the form of Exhibit H hereto.

(n) Patriot Act. The Administrative Agent and the Committed Lenders shall have received at least three Business Days prior to the Closing Date all documentation and other information about the Loan Parties mutually agreed to be required by U.S. regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act, that has been reasonably requested in writing at least twelve Business Days prior to the Closing Date.

(o) Plumb Acquisition Agreement Conditions; Specified Representations. (i) The condition in Section 7.3(a) of the Plumb Acquisition Agreement (but only with respect to the representations that are material to the interests of the Lenders, and only to the extent that Borrower (or any of its Affiliates party to the Plumb Acquisition Agreement) has the right to terminate its obligations under the Plumb Acquisition Agreement (or otherwise decline to consummate the Waterworks Acquisition) without liability to any of them as a result of a breach of such representations in the Plumb Acquisition Agreement) shall have been satisfied and (ii) the Specified Representations shall, except to the extent they relate to a particular date, be true and correct in all material respects on and as of such date as if made on and as of such date.

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(p) Borrowing Notice. With respect to the initial Extensions of Credit, the Administrative Agent shall have received a notice of such Borrowing as required by Subsection 2.3.

The making of the initial Extensions of Credit by the Lenders hereunder shall conclusively be deemed to constitute an acknowledgement by the Administrative Agent and each Lender that each of the conditions precedent set forth in this Subsection 6.1 shall have been satisfied in accordance with its respective terms or shall have been irrevocably waived by such Person.

SECTION 7

Affirmative Covenants

The Borrower hereby agrees that, from and after the Closing Date, until payment in full of the Loans and all other Term Loan Facility Obligations then due and owing to any Lender or any Agent hereunder, the Borrower shall and shall (except in the case of delivery of financial information, reports and notices) cause each of its Restricted Subsidiaries to:

7.1 Financial Statements. Furnish to the Administrative Agent for delivery to each Lender (and the Administrative Agent agrees to make and so deliver such copies):

(a) as soon as available, but in any event not later than the fifth Business Day after (i) the 135th day following the end of the fiscal year of the Borrower ending January 28, 2018 and (ii) the 120th day following the end of each fiscal year of the Borrower (or, in each case, such longer period as would be permitted by the SEC if the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under this Subsection 7.1(a)) were then subject to SEC reporting requirements as a non-accelerated filer) ending thereafter, a copy of the consolidated balance sheet of the Borrower as at the end of such year and the related consolidated statements of operations, equity and cash flows for such year, setting forth, commencing with the financial statements for the fiscal year ending February 3, 2019, in each case, in comparative form the figures for and as of the end of the previous year, reported on without a “going concern” or like qualification or exception, or qualification arising out of the scope of the audit (provided that such report may contain a “going concern” or like qualification or exception, or qualification arising out of the scope of the audit, if such qualification or exception arises solely with respect to, results from or arises on account of (i) an upcoming Maturity Date hereunder or an upcoming “maturity date” under the Senior ABL Facility or any other Indebtedness Incurred in compliance with this Agreement, (ii) any potential or actual inability to satisfy any financial maintenance covenant included in the Senior ABL Agreement or any other Indebtedness of the

Borrower or its Subsidiaries or (iii) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiary), by PricewaterhouseCoopers LLP or other independent certified public accountants of nationally recognized standing (it being agreed that the furnishing of (x) the Borrower's or any Parent Entity's or IPO Vehicle's annual report on Form 10-K for such year, as filed with the SEC, or (y) the financial statements of any Parent Entity or IPO Vehicle, will, in each case, satisfy the Borrower's obligation under this Subsection 7.1(a) with respect to such year, including with respect to the requirement that such financial statements be reported on without a "going concern" or like qualification or exception, or qualification arising out of the scope of the audit, so long as the report included in such Form 10-K or accompanying such financial statements, as applicable, does not contain any "going concern" or like qualification or exception (other than a "going concern" or like qualification or exception with respect to, resulting from or arising on account of (i) an upcoming Maturity Date hereunder or an upcoming "maturity date" under the Senior ABL Facility or any other Indebtedness Incurred in compliance with this Agreement, (ii) any potential or actual inability to satisfy any financial maintenance covenant included in the Senior ABL Agreement or any other Indebtedness of the Borrower or its Subsidiaries or (iii) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiary)), together with a management's discussion and analysis of financial information (which need not be prepared in accordance with Item 303 of Regulation S-K of the Securities Act, and which may be in a form substantially similar to the management's discussion and analysis of financial information included in the offering memorandum for the Senior Notes);

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(b) as soon as available, but in any event not later than the fifth Business Day following (I) the 90th day following the end of the quarterly period ending July 30, 2017, the unaudited combined balance sheets and related statements of operations and cash flows of the Waterworks Business for such quarterly period and (II) (i) the 90th day following the end of the quarterly period ending October 29, 2017 and (ii) the 60th day following the end of each of the first three quarterly periods of each fiscal year of the Borrower (or such longer period as would be permitted by the SEC if the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under this Subsection 7.1(b)) were then subject to SEC reporting requirements as a non-accelerated filer) commencing, in the case of clause (ii), with the fiscal quarter ending April 29, 2018, the unaudited consolidated balance sheet of the Borrower as at the end of such quarter and the related unaudited consolidated statements of operations and changes in cash flows of the Borrower for such quarter and the portion of the fiscal year through the end of such quarter, setting forth commencing with the financial statements for the fiscal quarter ending October 28, 2018 in comparative form the figures for and as of the corresponding periods of the previous year, in each case certified by a Responsible Officer of the Borrower as being fairly stated in all material respects (subject to normal year-end audit and other adjustments) (it being agreed that the furnishing of (x) the Borrower's or any Parent Entity's or IPO Vehicle's quarterly report on Form 10-Q for such quarter, as filed with the SEC, or (y) the financial statements of any Parent Entity or IPO Vehicle, will, in each case, satisfy the Borrower's obligations under this Subsection 7.1(b) with respect to such quarter), together with a management's discussion and analysis of financial information (which need not be prepared in accordance with Item 303 of Regulation S-K of the Securities Act, and which may be in a form substantially consistent with the management's discussion and analysis of financial information with respect to the financial statements included in the offering memorandum for the Senior Notes);

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(c) to the extent applicable, concurrently with any delivery of consolidated financial statements referred to in Subsections 7.1(a) and (b) above, related unaudited condensed consolidating financial statements and appropriate reconciliations reflecting the material adjustments necessary (as determined by the Borrower in good faith, which determination shall be conclusive) to eliminate the accounts of Unrestricted Subsidiaries (if any) from such consolidated financial statements; and

(d) all such financial statements delivered pursuant to Subsection 7.1(a) or (b) to (and, in the case of any financial statements delivered pursuant to Subsection 7.1(b) shall be certified by a Responsible Officer of the Borrower to) fairly present in all material respects the financial condition of the Borrower and, if applicable the applicable Parent Entity or IPO Vehicle and, its Subsidiaries in conformity with GAAP and to be (and, in the

case of any financial statements delivered pursuant to Subsection 7.1(b), shall be certified by a Responsible Officer of the Borrower, to the knowledge of such Responsible Officer, as being) in reasonable detail and prepared in accordance with GAAP applied consistently throughout the periods reflected therein and with prior periods that began on or after the Closing Date (except as disclosed therein, and except, in the case of any financial statements delivered pursuant to Subsection 7.1(b), for the absence of certain notes).

Notwithstanding anything in clause (a) or (b) of this Subsection 7.1 to the contrary, except as expressly required with respect to Unrestricted Subsidiaries in clause (c) above, in no event shall any annual or quarterly financial statements delivered pursuant to clause (a) or (b) of this Subsection 7.1 be required to (x) include any segment reporting, reporting with respect to non-consolidated subsidiaries, separate consolidating financial information with respect to the Borrower, any Subsidiary Guarantor or any other Affiliate of the Borrower, or any segment reporting, reporting with respect to non-consolidated subsidiaries, separate financial statements or information for the Borrower, any Subsidiary Guarantor or any other Affiliate of the Borrower, (y) comply with Section 302, Section 404 and Section 906 of the Sarbanes Oxley Act of 2002, as amended, or related items 307, 308 and 308T of Regulation S-K under the Securities Act or (z) comply with Rule 3-03(e), Rule 3-05, Rule 3-09, Rule 3-10 and Rule 3-16 of Regulation S-X under the Securities Act.

7.2 Certificates; Other Information. Furnish to the Administrative Agent for delivery to each Lender (and the Administrative Agent agrees to make and so deliver such copies):

(a) concurrently with the delivery of the financial statements and reports referred to in Subsections 7.1(a) and (b), a certificate signed by a Responsible Officer of the Borrower in substantially the form of Exhibit U or such other form as may be agreed between the Borrower and the Administrative Agent (a "Compliance Certificate") (i) stating that, to the best of such Responsible Officer's knowledge, each of the Borrower and its Restricted Subsidiaries during such period has observed or performed all of its covenants and other agreements, and satisfied every condition, contained in this Agreement or the other Loan Documents to which it is a party to be observed, performed or satisfied by it, and that such Responsible Officer has obtained no knowledge of any Default or Event of Default, except, in each case, as specified in such certificate, (ii) [reserved] and (iii) commencing with the delivery of the Compliance Certificate for the fiscal year ended February 3, 2019, if (A) delivered with the financial statements required by Subsection 7.1(a) and (B) the Consolidated Secured Leverage Ratio as of the last day of the immediately preceding fiscal year was greater than or equal to 3.25:1.00, set forth in reasonable detail the amount of (and the calculations required to establish the amount of) Excess Cash Flow for the respective fiscal year covered by such financial statements;

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(b) within five Business Days after the same are filed, copies of all financial statements and periodic reports which the Borrower may file with the SEC or any successor or analogous Governmental Authority;

(c) within five Business Days after the same are filed, copies of all registration statements and any amendments and exhibits thereto, which the Borrower may file with the SEC or any successor or analogous Governmental Authority;

(d) subject to the last sentence of Subsection 7.6, promptly, such additional financial and other information regarding the Loan Parties as any Agent or the Required Lenders through the Administrative Agent may from time to time reasonably request; and

(e) promptly upon reasonable request from the Administrative Agent calculations of Consolidated EBITDA and other Fixed GAAP Terms as reasonably requested by the Administrative Agent promptly following receipt of a written notice from the Borrower electing to change the Fixed GAAP Date, which calculations shall show the calculations of the respective Fixed GAAP Terms both before and after giving effect to the change in the Fixed GAAP Date and identify the material change(s) in GAAP giving rise to the change in such calculations.

Documents required to be delivered pursuant to Subsection 7.1 or this Subsection 7.2 may at the Borrower's option be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's (or any Parent Entity's or IPO Vehicle's) website on the Internet at the website address listed on Schedule 7.2 (or such other

website address as the Borrower may specify by written notice to the Administrative Agent from time to time); or (ii) on which such documents are posted on the Borrower's (or any Parent Entity's or IPO Vehicle's) behalf on an Internet or intranet website to which each Lender and the Administrative Agent have access (whether a commercial, third-party website (including any website maintained by the SEC) or whether sponsored by the Administrative Agent). Following the electronic delivery of any such documents by posting such documents to a website in accordance with the preceding sentence (other than the posting by the Borrower of any such documents on any website maintained for or sponsored by the Administrative Agent), the Borrower shall promptly provide the Administrative Agent notice of such delivery (which notice may be by facsimile or electronic mail) and the electronic location at which such documents may be accessed; provided that, in the absence of bad faith, the failure to provide such prompt notice shall not constitute a Default hereunder.

7.3 Payment of Taxes. Pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all taxes except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings diligently conducted and reserves in conformity in all material respects with GAAP with respect thereto have been provided on the books of the Borrower or any of its Restricted Subsidiaries, as the case may be, or except to the extent that failure to do so, in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

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7.4 Conduct of Business and Maintenance of Existence; Compliance with Contractual Obligations and Requirements of Law. Preserve, renew and keep in full force and effect its existence and take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of the business of the Borrower and its Restricted Subsidiaries, taken as a whole, except as otherwise permitted pursuant to Subsection 8.4 or 8.7, provided that the Borrower and its Restricted Subsidiaries shall not be required to maintain any such rights, privileges or franchises and the Borrower and its Restricted Subsidiaries shall not be required to maintain such existence, if the failure to do so would not reasonably be expected to have a Material Adverse Effect; and comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith, in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

7.5 Maintenance of Property; Insurance. (i) Keep all property necessary in the business of the Borrower and its Restricted Subsidiaries, taken as a whole, in good working order and condition, except where failure to do so would not reasonably be expected to have a Material Adverse Effect; (ii) use commercially reasonable efforts to maintain with financially sound and reputable insurance companies (or any Insurance Subsidiary) insurance on, or self-insure, all property material to the business of the Borrower and its Restricted Subsidiaries, taken as a whole, in at least such amounts and against at least such risks (but including in any event public liability and business interruption) as are consistent with the past practice of the Borrower and its Restricted Subsidiaries or usually insured against in the same general area by companies engaged in the same or a similar business; (iii) furnish to the Administrative Agent, upon written request, information in reasonable detail as to the insurance carried; (iv) use commercially reasonable efforts to maintain property and liability policies that provide that in the event of any cancellation thereof during the term of the policy, either by the insured or by the insurance company, the insurance company shall provide to the secured party at least 30 days prior written notice thereof, or in the case of cancellation for non-payment of premium, ten days prior written notice thereof; (v) in the event of any material change in any of the property or liability policies referenced in the preceding clause (iv), use commercially reasonable efforts to provide the Administrative Agent with at least 30 days prior written notice thereof; and (vi) use commercially reasonable efforts to ensure that, subject to the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement, at all times the Collateral Agent, the applicable Collateral Representative or any Additional Agent, in accordance with the applicable ABL/Term Loan Intercreditor Agreement, Junior Lien Intercreditor Agreement or Other Intercreditor Agreement, for the benefit of the applicable Secured Parties, shall be named as an additional insured with respect to liability policies maintained by the Borrower and each Subsidiary Guarantor and the Collateral Agent for the benefit of the Secured Parties, shall be named as loss payee with respect to the property insurance maintained by the Borrower and each Subsidiary Guarantor; provided that, unless an Event of Default shall have occurred and be continuing, (A) the Collateral Agent shall turn over to the Borrower any amounts received by it as an additional insured or loss payee under any property insurance maintained by the Borrower and its Subsidiaries, (B) the Collateral Agent agrees that the

Borrower and/or its applicable Subsidiary shall have the sole right to adjust or settle any claims under such insurance and (C) all proceeds from a Recovery Event shall be paid to the Borrower.

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7.6 Inspection of Property; Books and Records; Discussions. In the case of the Borrower, keep proper books and records in a manner to allow financial statements to be prepared in conformity with GAAP consistently applied in respect of all material financial transactions and matters involving the material assets and business of the Borrower and its Restricted Subsidiaries, taken as a whole; and permit representatives of the Administrative Agent to visit and inspect any of its properties and examine and, to the extent reasonable, make abstracts from any of its books and records and to discuss the business, operations, properties and financial and other condition of the Borrower and its Restricted Subsidiaries with officers of the Borrower and its Restricted Subsidiaries and with its independent certified public accountants, in each case at any reasonable time, upon reasonable notice; provided that (a) except during the continuation of an Event of Default, only one such visit per year shall be at the Borrower's expense, and (b) during the continuation of an Event of Default, the Administrative Agent or its representatives may do any of the foregoing at the Borrower's expense; provided, further, that representatives of the Borrower may be present during any such visits, discussions and inspections. Notwithstanding anything to the contrary in Subsection 7.2(d) or in this Subsection 7.6 or any other provision in any Loan Document, none of the Borrower or any Restricted Subsidiary will be required to disclose or permit the inspection or discussion of, any document, information or other matter (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or the Lenders (or their respective representatives) is prohibited by Requirement of Law or any binding agreement or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

7.7 Notices. Promptly give notice to the Administrative Agent and each Lender of:

(a) as soon as possible after a Responsible Officer of the Borrower knows thereof, the occurrence of any Default or Event of Default;

(b) as soon as possible after a Responsible Officer of the Borrower knows thereof, any default or event of default under any Contractual Obligation of the Borrower or any of its Restricted Subsidiaries, other than as previously disclosed in writing to the Lenders, which would reasonably be expected to have a Material Adverse Effect;

(c) as soon as possible after a Responsible Officer of the Borrower knows thereof, the occurrence of (i) any default or event of default under the Senior ABL Agreement, (ii) [reserved] or (iii) any payment default under any Additional Obligations Documents or under any agreement or document governing other Indebtedness, in each case under this clause (c) relating to Indebtedness in an aggregate principal amount equal to or greater than the greater of \$100,000,000 and 6.50% of Consolidated Tangible Assets;

(d) as soon as possible after a Responsible Officer of the Borrower knows thereof, any litigation, investigation or proceeding affecting the Borrower or any of its Restricted Subsidiaries that would reasonably be expected to have a Material Adverse Effect;

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(e) the following events, as soon as possible and in any event within 30 days after a Responsible Officer of the Borrower knows thereof: (i) the occurrence of any Reportable Event (or similar event) with respect to any Single Employer Plan (or Foreign Plan), a failure to make any required contribution to a Single Employer Plan, Multiemployer Plan or Foreign Plan, the creation of any Lien on the property of the Borrower or its Restricted Subsidiaries in favor of the PBGC, a Plan or a Foreign Plan or any withdrawal from, or the full or partial termination or Insolvency of, any Multiemployer Plan or Foreign Plan; or (ii) the institution of proceedings by the PBGC or the Borrower or any of its Restricted Subsidiaries or any Commonly Controlled Entity or any Multiemployer Plan which would reasonably be expected to result in the withdrawal from, or the termination or Insolvency of, any Single Employer Plan, Multiemployer Plan or Foreign Plan; provided, however, that no such notice will be required under clause (i) or (ii) above unless the event giving rise to such notice, when aggregated with all other such events under clause (i) or (ii) above, would be reasonably expected to result in a Material Adverse Effect;

(f) as soon as possible after a Responsible Officer of the Borrower knows thereof, (i) any release or discharge by the Borrower or any of its Restricted Subsidiaries of any Materials of Environmental Concern required to be reported under applicable Environmental Laws to any Governmental Authority, unless the Borrower reasonably determines that the total Environmental Costs arising out of such release or discharge would not reasonably be expected to have a Material Adverse Effect, (ii) any condition, circumstance, occurrence or event not previously disclosed in writing to the Administrative Agent that would reasonably be expected to result in liability or expense under applicable Environmental Laws, unless the Borrower reasonably determines that the total Environmental Costs arising out of such condition, circumstance, occurrence or event would not reasonably be expected to have a Material Adverse Effect, or would not reasonably be expected to result in the imposition of any lien or other material restriction on the title, ownership or transferability of any facilities and properties owned, leased or operated by the Borrower or any of its Restricted Subsidiaries that would reasonably be expected to result in a Material Adverse Effect and (iii) any proposed action to be taken by the Borrower or any of its Restricted Subsidiaries that would reasonably be expected to subject the Borrower or any of its Restricted Subsidiaries to any material additional or different requirements or liabilities under Environmental Laws, unless the Borrower reasonably determines that the total Environmental Costs arising out of such proposed action would not reasonably be expected to have a Material Adverse Effect; and

(g) as soon as possible after a Responsible Officer of the Borrower knows thereof, any loss, damage, or destruction to a significant portion of the Collateral, whether or not covered by insurance.

Each notice pursuant to this Subsection 7.7 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower (or, if applicable, the relevant Restricted Subsidiary) proposes to take with respect thereto.

7.8 Environmental Laws. (a) (i) Comply substantially with, and require substantial compliance by all tenants, subtenants, contractors, and invitees with, all applicable Environmental Laws; (ii) obtain, comply substantially with and maintain any and all Environmental Permits necessary for its operations as conducted and as planned; and (iii) require that all tenants, subtenants, contractors, and invitees obtain, comply substantially with and maintain any and all Environmental Permits necessary for their operations as conducted and as planned, with respect to any property leased or subleased from, or operated by the Borrower or its Restricted Subsidiaries. For purposes of this Subsection 7.8(a), noncompliance shall not constitute a breach of this covenant, provided that, upon learning of any actual or suspected noncompliance, the Borrower and any such affected Restricted Subsidiary shall promptly undertake and diligently pursue reasonable efforts, if any, to achieve compliance, and provided, further, that in any case such noncompliance would not reasonably be expected to have a Material Adverse Effect.

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(b) Promptly comply, in all material respects, with all orders and directives of all Governmental Authorities regarding Environmental Laws, other than such orders or directives (i) as to which the failure to comply would not reasonably be expected to result in a Material Adverse Effect or (ii) as to which: (x) appropriate reserves have been established in accordance with GAAP; (y) an appeal or other appropriate contest is or has been timely and properly taken and is being diligently pursued in good faith; and (z) if the effectiveness of such order or directive has not been stayed, the failure to comply with such order or directive during the pendency of such appeal or contest would not reasonably be expected to have a Material Adverse Effect.

7.9 After-Acquired Subsidiaries. (a) [Reserved].

(b) With respect to any Domestic Subsidiary that is a Wholly Owned Subsidiary (other than an Excluded Subsidiary) (i) created or acquired subsequent to the Closing Date by the Borrower or any of its Domestic Subsidiaries that are Wholly Owned Subsidiaries (other than an Excluded Subsidiary), (ii) being designated as a Restricted Subsidiary, (iii) ceasing to be an Immaterial Subsidiary or other Excluded Subsidiary as provided in the applicable definition thereof after the expiry of any applicable period referred to in such definition or (iv) that becomes a Domestic Subsidiary as a result of a Permitted Investment or a transaction pursuant to, and permitted by, Subsection 8.2 or 8.7 (other than an Excluded Subsidiary), promptly notify the Administrative Agent of such

occurrence and, if the Administrative Agent or the Required Lenders so request, promptly (i) cause the Loan Party that is required to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected first priority security interest (as and to the extent provided in the Guarantee and Collateral Agreement) in the Capital Stock of such new Domestic Subsidiary owned directly by the Borrower or any of its Domestic Subsidiaries that are Wholly Owned Subsidiaries (other than Excluded Subsidiaries) to execute and deliver a Supplemental Agreement (as defined in the Guarantee and Collateral Agreement) pursuant to Subsection 9.15 of the Guarantee and Collateral Agreement, (ii) deliver to the Collateral Agent, the applicable Collateral Representative or any Additional Agent, in accordance with the applicable ABL/Term Loan Intercreditor Agreement, Junior Lien Intercreditor Agreement or Other Intercreditor Agreement, the certificates (if any) representing such Capital Stock, together with undated stock powers, executed and delivered in blank by a duly authorized officer of the parent of such new Domestic Subsidiary, and (iii) cause such new Domestic Subsidiary (A) to become a party to the Guarantee and Collateral Agreement and (B) to take all actions reasonably deemed by the Collateral Agent to be necessary or advisable to cause the Lien created by the Guarantee and Collateral Agreement in such new Domestic Subsidiary's Collateral to be duly perfected in accordance with all applicable Requirements of Law (as and to the extent provided in the Guarantee and Collateral Agreement), including the filing of financing statements in such jurisdictions as may be reasonably requested by the Collateral Agent. In addition, the Borrower may cause any Subsidiary that is not required to become a Subsidiary Guarantor to become a Subsidiary Guarantor by executing and delivering a Subsidiary Guaranty (which Subsidiary Guaranty shall be accompanied by all documentation and other information about such Subsidiary as shall be mutually agreed to be required by applicable regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act and the CDD Rule); provided that in the case of any Foreign Subsidiary, notwithstanding anything to the contrary in this Agreement or any other Loan Document, such Foreign Subsidiary shall guarantee the Borrower Obligations (as defined in the Guarantee and Collateral Agreement) and grant a perfected lien with the priority contemplated herein on substantially all of its assets pursuant to arrangements (including security documents governed by foreign law) reasonably agreed between the Administrative Agent and the Borrower (which arrangements (w) shall be subject to customary limitations in such jurisdiction as may be reasonably agreed between the Administrative Agent and the Borrower, (x) shall only operate to create guarantees or security rather than to impose new commercial obligations or restrictions, and accordingly shall not operate to prevent any transaction otherwise permitted under this Agreement or the Guarantee and Collateral Agreement, require additional consents or authorizations, or contain any additional representations or undertakings, in each case unless the same are required for the creation of the guarantee or the creation or perfection of the security (as and to the extent that such creation or perfection is required pursuant to the terms this Agreement or the Guarantee and Collateral Agreement) and are no more onerous than any equivalent representation or undertaking in this Agreement or the Guarantee and Collateral Agreement, (y) shall not permit the Administrative Agent or the Collateral Agent to enforce any such arrangements or exercise any power of attorney granted thereunder unless an Event of Default shall have occurred and be continuing, and (z) to the extent possible under the laws governing such arrangements, shall contain a release clause automatically releasing, reassigning and cancelling the guarantee or security constituted thereby, and shall otherwise require the Collateral Agent to release such security in accordance with Subsection 9.16 of the Guarantee and Collateral Agreement), and nothing in the definition of "Excluded Assets" or other limitation in this Agreement shall in any way limit or restrict the pledge of assets and property by any such Foreign Subsidiary that is a Guarantor or the pledge of the Capital Stock of such Foreign Subsidiary by any other Loan Party that holds such Capital Stock; provided, further, that if the Borrower elects to cause any Subsidiary to become a Guarantor pursuant to this Subsection 7.9(b), in addition to, and without limiting the applicability to such Guarantor of other Guarantor release provisions set forth in the Loan Documents, the Borrower may, in its sole discretion, elect to release such Guarantor from its Term Loan Facility Obligations by a written notice to the Administrative Agent, provided that immediately after giving effect to such release, (1) if and to the extent such Guarantor is then a Restricted Subsidiary (it being understood that the designation of such Subsidiary as an Unrestricted Subsidiary shall otherwise be required to comply with the provisions set forth in the definition of "Unrestricted Subsidiary"), any Indebtedness of such Subsidiary then outstanding can be Incurred (and upon such release shall be deemed to be Incurred) pursuant to Subsection 8.1 as if such Subsidiary were not a Guarantor at such time, and (2) immediately after such release, no Event of Default under Subsection 9.1(a) or (f) shall have occurred and be continuing.

(c) With respect to any Foreign Subsidiary created or acquired subsequent to the Closing Date by the Borrower, any of its Domestic Subsidiaries that are Wholly Owned Subsidiaries (in each case, other than any Excluded Subsidiary) or any Foreign Subsidiary that is a Guarantor, the Capital Stock of which is owned directly by the Borrower, a Domestic Subsidiary that is a Wholly Owned Subsidiary (other than an Excluded Subsidiary) or any Foreign Subsidiary that is a Guarantor, promptly notify the Administrative Agent of such occurrence and if the Administrative Agent or the Required Lenders so request, promptly (i) cause the Loan Party that is required to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected first priority security interest (as and to the extent provided in the Guarantee and Collateral Agreement or any other applicable Security Document) in the Capital Stock of such new Subsidiary that is directly owned by the Borrower, any Domestic Subsidiary that is a Wholly Owned Subsidiary (other than an Excluded Subsidiary) or any Foreign Subsidiary that is a Guarantor to execute and deliver a Supplemental Agreement (as defined in the Guarantee and Collateral Agreement) pursuant to Subsection 9.15 of the Guarantee and Collateral Agreement or, with respect to Capital Stock of a Foreign Subsidiary that is owned directly by any Foreign Subsidiary that is a Guarantor, such supplemental agreement(s) as may be required pursuant to any applicable Security Document, and (ii) to the extent reasonably deemed advisable by the Collateral Agent, deliver to the Collateral Agent, the applicable Collateral Representative or any Additional Agent, in accordance with the applicable ABL/Term Loan Intercreditor Agreement, Junior Lien Intercreditor Agreement or Other Intercreditor Agreement, the certificates, if any, representing such Capital Stock, together with undated stock powers, executed and delivered in blank by a duly authorized officer of the relevant parent of such new Subsidiary and take such other action as may be reasonably deemed by the Collateral Agent to be necessary or desirable to perfect the Collateral Agent's security interest therein (in each case as and to the extent required by the Guarantee and Collateral Agreement); provided that in either case in no event shall more than 65.0% of each series of Capital Stock of any Foreign Subsidiary be required to be so pledged.

(d) At its own expense, execute, acknowledge and deliver, or cause the execution, acknowledgement and delivery of, and thereafter register, file or record in an appropriate governmental office, any document or instrument reasonably deemed by the Collateral Agent to be necessary or desirable for the creation, perfection and priority and the continuation of the validity, perfection and priority of the foregoing Liens or any other Liens created pursuant to the Security Documents (to the extent the Collateral Agent determines, in its reasonable discretion, that such action is required to ensure the perfection or the enforceability as against third parties of its security interest in such Collateral) in each case in accordance with, and to the extent required by, the Guarantee and Collateral Agreement.

(e) Notwithstanding anything to the contrary in this Agreement, (A) the foregoing requirements shall be subject to the terms of the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement and, in the event of any conflict with such terms, the terms of the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement, as applicable, shall control, (B) no security interest or lien is or will be granted pursuant to any Loan Document or otherwise in any right, title or interest of any of the Holding Companies, the Borrower or any of its Subsidiaries in, and "Collateral" shall not include, any Excluded Asset, (C) except in the case of any assets of, or Capital Stock in, any Foreign Subsidiary that is a Guarantor, no Loan Party or any Affiliate thereof shall be required to take any action in any non-U.S. jurisdiction or required by the laws of any non-U.S. jurisdiction in order to create any security interests in assets located or titled outside of the U.S. or to perfect any security interests (it being understood that there shall be no security agreements or pledge agreements governed under the laws of any non-U.S. jurisdiction), (D) to the extent not automatically perfected by filings under the Uniform Commercial Code of each applicable jurisdiction, no Loan Party shall be required to take any actions in order to perfect any security interests granted with respect to any assets specifically requiring perfection through control (including cash, cash equivalents, deposit accounts, securities accounts, but excluding Capital Stock required to be delivered pursuant to Subsections 7.9(b) and (c) above), and (E) nothing in this Subsection 7.9 shall require that any Holding Company, the Borrower or any Subsidiary grant a Lien with respect to any property or assets in which such Person acquires ownership rights to the extent that the Borrower and the Administrative Agent reasonably determine that the costs or other consequences to Management Holdings, Waterworks Holdings LP, Waterworks Holdings LLC, Pubco, New Blocker, Topco or one of its Subsidiaries (or, at the election of the Borrower in connection with an initial public offering or other restructuring of the Borrower, any Parent Entity or IPO Vehicle, the Borrower or any of its

Subsidiaries) of the granting of such a Lien is excessive in view of the benefits that would be obtained by the Secured Parties.

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(f) Notwithstanding any provision of this Subsection 7.9 or Subsection 7.13 to the contrary, prior to the Discharge of ABL Collateral Obligations, (i) the requirements of this Subsection 7.9 and of Subsection 7.13 to deliver any ABL Priority Collateral to the Agent shall be deemed satisfied by the delivery of such ABL Priority Collateral to the ABL Agent or the ABL Collateral Representative (as defined in the ABL/Term Loan Intercreditor Agreement or the equivalent term in any Other Intercreditor Agreement), (ii) the Borrower shall, and shall cause each Restricted Subsidiary to, comply with the requirements of this Subsection 7.9 and Subsection 7.13 with respect to the Obligations hereunder as they relate to any ABL Priority Collateral only to the same extent that the Borrower and such Restricted Subsidiaries are required to comply with provisions analogous to this Subsection 7.9 or Subsection 7.13 under the ABL Credit Agreement or the documentation governing any other ABL Collateral Obligation and (iii) the ABL Agent or the ABL Collateral Representative (as defined in the ABL/Term Loan Intercreditor Agreement or the equivalent term in any Other Intercreditor Agreement) shall have sole discretion (in consultation with the Borrower, if applicable) with respect to any determination concerning ABL Priority Collateral as to which the Agent would have authority to exercise under this Subsection 7.9 or Subsection 7.13.

7.10 Use of Proceeds. Use the proceeds of Loans only for the purposes set forth in Subsection 5.16.

7.11 Commercially Reasonable Efforts to Maintain Ratings. At all times, the Borrower shall use commercially reasonable efforts to maintain ratings (but not any particular rating) of the Initial Term Loans and a corporate rating (but not any particular rating) and corporate family rating (but not any particular rating), as applicable, for the Borrower by each of S&P and Moody's.

7.12 Accounting Changes. The Borrower will, for financial reporting purposes, cause the Borrower's and each of its Subsidiaries' fiscal years to end on the Sunday closest to January 31st of each calendar year; provided that the Borrower may, upon written notice to the Administrative Agent, change the financial reporting convention specified above to (x) a calendar year-end convention or (y) any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Borrower and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement and the other Loan Documents that are necessary in order to reflect such change in financial reporting.

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7.13 Post-Closing Security Perfection. The Borrower agrees to deliver or cause to be delivered such documents and instruments, and take or cause to be taken such other actions as may be reasonably necessary to provide the perfected security interests described in the provisos to Subsection 6.1(a), Subsection 6.1(g) and Subsection 6.1(h) that are not so provided on the Closing Date, and in any event to provide such perfected security interests and to satisfy such other conditions within the applicable time periods set forth on Schedule 7.13, as such time periods may be extended by the Administrative Agent, in its sole discretion. Notwithstanding any other provision of this Subsection 7.13, Subsection 7.9, of Schedule 7.13 or of any Security Document and the Borrower shall not be obligated to take, or cause to be taken, any action that is dependent on an action that the Administrative Agent or the Collateral Agent, as the case may be, has failed to take, for so long as the Administrative Agent or the Collateral Agent has failed to take such action.

SECTION 8

Negative Covenants

The Borrower hereby agrees that, from and after the Closing Date, until payment in full of the Loans and all other Term Loan Facility Obligations then due and owing to any Lender or any Agent hereunder:

8.1 Limitation on Indebtedness. (a) The Borrower will not, and will not permit any Restricted Subsidiary to, Incur any Indebtedness; provided, however, that the Borrower or any Restricted Subsidiary may Incur Indebtedness if on the date of the Incurrence of such Indebtedness, after giving effect to the Incurrence

thereof (or, at the Borrower's option, on the date of the initial borrowing of such Indebtedness or entry into the definitive agreement providing the commitment to fund such Indebtedness after giving pro forma effect to the Incurrence of the entire committed amount thereof, in which case such committed amount may thereafter be borrowed and reborrowed in whole or in part, from time to time, without further compliance with this proviso), the Consolidated Coverage Ratio would be equal to or greater than 2.00:1.00; provided, further, that the aggregate principal amount of Indebtedness that may be Incurred pursuant to this Subsection 8.1(a), by Restricted Subsidiaries that are not Subsidiary Guarantors or Escrow Subsidiaries, together with the aggregate outstanding principal amount of Indebtedness Incurred by Restricted Subsidiaries that are not Subsidiary Guarantors or Escrow Subsidiaries pursuant to Subsection 8.1(b)(xvii), shall not exceed the greater of \$437,500,000 and 26.50% of Consolidated Tangible Assets at any time outstanding.

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(b) Notwithstanding the foregoing Subsection 8.1(a), the Borrower and its Restricted Subsidiaries may incur the following Indebtedness:

(i) (I) Indebtedness Incurred by the Borrower, a Guarantor or an Escrow Subsidiary (a) pursuant to this Agreement and the other Loan Documents, (b) pursuant to the Senior ABL Facility, (c) constituting Additional Obligations (and Refinancing Indebtedness in respect thereof), (d) constituting Rollover Indebtedness (and Refinancing Indebtedness in respect thereof), (e) in respect of Permitted Debt Exchange Notes Incurred pursuant to a Permitted Debt Exchange in accordance with Subsection 2.9 (and any Refinancing Indebtedness in respect thereof) and (f) pursuant to any Letter of Credit Facility (and any Refinancing Indebtedness in respect thereof), in a maximum principal amount for all such Indebtedness at any time outstanding not exceeding in the aggregate an amount equal to the sum of (A) \$1,500,000,000, plus (B) the greater of (x) \$1,350,000,000 and (y) an amount equal to (but not less than zero) (1) the Borrowing Base, less (2) the aggregate principal amount of Indebtedness Incurred by Special Purpose Entities that are Domestic Subsidiaries and then outstanding pursuant to Subsection 8.1(b)(ix), less (3) the aggregate principal amount of Indebtedness Incurred by any Foreign Subsidiaries and then outstanding pursuant to Subsection 8.1(b)(xv)(ii), plus (C) without duplication of incremental amounts included in the definition of "Refinancing Indebtedness", in the event of any refinancing of any such Indebtedness (including with Specified Refinancing Indebtedness), the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing, and (II) Indebtedness Incurred by the Borrower, a Guarantor or an Escrow Subsidiary (a) pursuant to this Agreement and the other Loan Documents, (b) pursuant to the Senior ABL Facility, (c) constituting Additional Obligations, (d) constituting Rollover Indebtedness, (e) in respect of Permitted Debt Exchange Notes Incurred pursuant to a Permitted Debt Exchange in accordance with Subsection 2.9 and (f) pursuant to any Letter of Credit Facility, in an aggregate principal amount for all such Indebtedness outstanding after giving effect to such Incurrence not in excess of the Maximum Incremental Facilities Amount (for purposes of determining the amount outstanding pursuant to clause (i) of the definition of "Maximum Incremental Facilities Amount", treating (x) any then unused portion of Incremental Revolving Commitments made available in reliance on such clause as outstanding Indebtedness and (y) Refinancing Indebtedness and Permitted Debt Exchange Notes Incurred pursuant to this Subsection 8.1(b)(i)(II) in respect of Indebtedness Incurred in reliance on clause (i) of the definition of "Maximum Incremental Facilities Amount" (and Refinancing Indebtedness and Permitted Debt Exchange Notes Incurred pursuant to this Subsection 8.1(b)(i)(II) in respect of such Refinancing Indebtedness and/or Permitted Debt Exchange Notes) as outstanding pursuant to such clause), together with Refinancing Indebtedness in respect of the Indebtedness described in subclauses (a), (b), (c), (d), (e) and (f) of this clause (II), plus, without duplication of incremental amounts included in the definition of "Refinancing Indebtedness", in the event of any refinancing of such Indebtedness (including with Specified Refinancing Indebtedness), the aggregate amount of all fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing;

(ii) Indebtedness (A) of any Restricted Subsidiary to the Borrower, or (B) of the Borrower or any Restricted Subsidiary to any Restricted Subsidiary; provided that in the case of this Subsection 8.1(b)(ii), any subsequent issuance or transfer of any Capital Stock of such Restricted Subsidiary to which such Indebtedness is owed, or other event, that results in such Restricted Subsidiary ceasing to be a Restricted

Subsidiary or any other subsequent transfer of such Indebtedness (except to the Borrower or a Restricted Subsidiary) will be deemed, in each case, an Incurrence of such Indebtedness by the issuer thereof not permitted by this Subsection 8.1(b)(ii);

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(iii) Indebtedness represented by (A) [reserved], (B) any Indebtedness (other than the Indebtedness pursuant to this Agreement and the other Loan Documents described in Subsection 8.1(b)(i)) outstanding (or Incurred pursuant to any commitment outstanding) on the Closing Date and set forth on Schedule 8.1 and (C) any Refinancing Indebtedness Incurred in respect of any Indebtedness (or unutilized commitments) described in this Subsection 8.1(b)(iii), Subsection 8.1(a) or Subsection 8.1(b)(xvii);

(iv) Purchase Money Obligations, Financing Lease Obligations, and in each case any Refinancing Indebtedness in respect thereof;

(v) Indebtedness (A) supported by a letter of credit issued in compliance with this Subsection 8.1 in a principal amount not exceeding the face amount of such letter of credit or (B) consisting of accommodation guarantees for the benefit of trade creditors of the Borrower or any of its Restricted Subsidiaries;

(vi) (A) Guarantees by the Borrower or any Restricted Subsidiary of Indebtedness or any other obligation or liability of the Borrower or any Restricted Subsidiary (other than any Indebtedness Incurred by the Borrower or such Restricted Subsidiary, as the case may be, in violation of this Subsection 8.1), or (B) without limiting Subsection 8.6, Indebtedness of the Borrower or any Restricted Subsidiary arising by reason of any Lien granted by or applicable to such Person securing Indebtedness of the Borrower or any Restricted Subsidiary (other than any Indebtedness Incurred by the Borrower or such Restricted Subsidiary, as the case may be, in violation of this Subsection 8.1);

(vii) Indebtedness of the Borrower or any Restricted Subsidiary (A) arising from the honoring of a check, draft or similar instrument of such Person drawn against insufficient funds in the ordinary course of business, or (B) consisting of guarantees, indemnities, obligations in respect of earn-outs or other purchase price adjustments, or similar obligations, Incurred in connection with the acquisition or disposition of any business, assets or Person;

(viii) Indebtedness of the Borrower or any Restricted Subsidiary in respect of (A) letters of credit, bankers' acceptances or other similar instruments or obligations issued, or relating to liabilities or obligations incurred, in the ordinary course of business (including those issued to governmental entities in connection with self-insurance under applicable workers' compensation statutes), (B) completion guarantees, surety, judgment, appeal or performance bonds, or other similar bonds, instruments or obligations, provided, or relating to liabilities or obligations incurred, in the ordinary course of business, (C) Hedging Obligations, entered into for bona fide hedging purposes, (D) Management Guarantees or Management Indebtedness, (E) the financing of insurance premiums in the ordinary course of business, (F) take-or-pay obligations under supply arrangements incurred in the ordinary course of business, (G) netting, overdraft protection and other arrangements arising under standard business terms of any bank at which the Borrower or any Restricted Subsidiary maintains an overdraft, cash pooling or other similar facility or arrangement, (H) Junior Capital in an aggregate principal amount at any time outstanding not to exceed the greater of \$223,000,000 and 13.50% of Consolidated Tangible Assets or (I) Bank Products Obligations;

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(ix) Indebtedness (A) of a Special Purpose Subsidiary secured by a Lien on all or part of the assets disposed of in, or otherwise Incurred in connection with, a Financing Disposition or (B) otherwise Incurred in connection with a Special Purpose Financing; provided that (1) such Indebtedness is not recourse to the Borrower or any Restricted Subsidiary that is not a Special Purpose Subsidiary (other than with respect to Special Purpose Financing Undertakings); (2) in the event such Indebtedness shall become recourse to the Borrower or any Restricted Subsidiary that is not a Special Purpose Subsidiary (other than with respect to Special Purpose Financing Undertakings), such Indebtedness will be deemed to be, and must be classified by the Borrower as, Incurred at such time (or at the time initially Incurred) under one or more of the other provisions of this Subsection 8.1 for so long as such Indebtedness shall be so recourse; and (3) in the event

that at any time thereafter such Indebtedness shall comply with the provisions of the preceding subclause (1), the Borrower may classify such Indebtedness in whole or in part as Incurred under this Subsection 8.1(b)(ix);

(x) Indebtedness of (A) the Borrower or any Restricted Subsidiary Incurred to finance or refinance, or otherwise Incurred in connection with, any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary; or (B) any Person that is acquired by or merged or consolidated with or into the Borrower or any Restricted Subsidiary (including Indebtedness thereof Incurred in connection with any such acquisition, merger or consolidation); provided that on the date of such acquisition, merger or consolidation, after giving effect thereto, either (1) the Borrower could Incur at least \$1.00 of additional Indebtedness pursuant to Subsection 8.1(b)(xvii), (2) the Consolidated Total Leverage Ratio of the Borrower would equal or be less than the Consolidated Total Leverage Ratio of the Borrower immediately prior to giving effect thereto, (3) the Borrower could Incur at least \$1.00 of additional Indebtedness pursuant to Subsection 8.1(a), or (4) the Consolidated Coverage Ratio of the Borrower would equal or be greater than the Consolidated Coverage Ratio of the Borrower immediately prior to giving effect thereto; provided, further, that if, at the Borrower's option, on the date of the initial borrowing of such Indebtedness or entry into the definitive agreement providing the commitment to fund such Indebtedness, pro forma effect is given to the Incurrence of the entire committed amount of such Indebtedness, such committed amount may thereafter be borrowed and reborrowed, in whole or in part, from time to time, without further compliance with this clause (x); and any Refinancing Indebtedness with respect to any such Indebtedness;

(xi) Contribution Indebtedness and any Refinancing Indebtedness with respect thereto;

(xii) Indebtedness issuable upon the conversion or exchange of shares of Disqualified Stock issued in accordance with Subsection 8.1(a), and any Refinancing Indebtedness with respect thereto;

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(xiii) Indebtedness of the Borrower or any Restricted Subsidiary in an aggregate principal amount at any time outstanding not exceeding an amount equal to the greater of \$412,500,000 and 25.00% of Consolidated Tangible Assets;

(xiv) Indebtedness of the Borrower or any Restricted Subsidiary Incurred as consideration in connection with or otherwise to finance any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary, and any Refinancing Indebtedness with respect thereto, in an aggregate principal amount at any time outstanding not exceeding an amount equal to the greater of \$115,500,000 and 7.00% of Consolidated Tangible Assets;

(xv) Indebtedness of any Foreign Subsidiary in an aggregate principal amount at any time outstanding not exceeding an amount equal to the sum of (i) the greater of \$272,500,000 and 16.50% of Consolidated Tangible Assets and (ii) an amount equal to (but not less than zero) (A) the Foreign Borrowing Base less (B) the aggregate principal amount of Indebtedness Incurred by Special Purpose Subsidiaries that are Foreign Subsidiaries and then outstanding pursuant to Subsection 8.1(b)(ix), less (C) the aggregate principal amount of Indebtedness Incurred and then outstanding pursuant to Subsection 8.1(b)(i)(l)(B)(y)(1), in excess of the Domestic Borrowing Base, plus (D) in the event of any refinancing of any Indebtedness Incurred under this clause (xv), the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing;

(xvi) Indebtedness of the Borrower or any Restricted Subsidiary in an aggregate principal amount not greater than twice the aggregate amount of Restricted Payments which could be made at the time of such Incurrence pursuant to Subsection 8.2(a)(3), 8.2(b)(iii), 8.2(b)(v), 8.2(b)(vi) or 8.2(b)(xv); and any Refinancing Indebtedness with respect thereto; provided that the Incurrence of Indebtedness in reliance on amounts available for making Restricted Payments pursuant to any of the foregoing clauses of Subsection 8.2 shall reduce the amount available under any such applicable clause by an amount equal to the outstanding principal amount of such Indebtedness; and

(xvii) Indebtedness of the Borrower or any Restricted Subsidiary in an unlimited amount if, after giving effect to the Incurrence of such amount (or, at the Borrower's option, on the date of the initial borrowing of such Indebtedness or entry into the definitive agreement providing the commitment to fund such Indebtedness

after giving pro forma effect to the Incurrence of the entire committed amount thereof, in which case such committed amount may thereafter be borrowed and reborrowed in whole or in part, from time to time, without further compliance with this clause (xvii)), the Consolidated Total Leverage Ratio shall not exceed 5.00:1.00; provided, that the aggregate principal amount of Indebtedness that may be Incurred pursuant to this Subsection 8.1(b)(xvii) by Restricted Subsidiaries that are not Subsidiary Guarantors or Escrow Subsidiaries, together with the aggregate outstanding principal amount of Indebtedness Incurred by Restricted Subsidiaries that are not Subsidiary Guarantors or Escrow Subsidiaries pursuant to Subsection 8.1(a), shall not exceed the greater of \$437,500,000 and 26.50% of Consolidated Tangible Assets at any time outstanding.

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(c) For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness Incurred pursuant to and in compliance with, this Subsection 8.1, (i) any other obligation of the obligor on such Indebtedness (or of any other Person who could have Incurred such Indebtedness under this Subsection 8.1) arising under any Guarantee, Lien or letter of credit, bankers' acceptance or other similar instrument or obligation supporting such Indebtedness shall be disregarded to the extent that such Guarantee, Lien or letter of credit, bankers' acceptance or other similar instrument or obligation secures the principal amount of such Indebtedness; (ii) in the event that Indebtedness Incurred pursuant to Subsection 8.1(b) meets the criteria of more than one of the types of Indebtedness described in Subsection 8.1(b), the Borrower, in its sole discretion, shall classify such item of Indebtedness and may include the amount and type of such Indebtedness in one or more of the clauses or subclauses of Subsection 8.1(b) (including in part under one such clause or subclause and in part under another such clause or subclause); provided that (if the Borrower shall so determine) any Indebtedness Incurred pursuant to (x) Subsection 8.1(b)(viii)(H), (b)(xiii), (b)(xiv), (b)(xv) or (b)(xvi) shall cease to be deemed Incurred or outstanding for purposes of such clause or subclause but shall be deemed Incurred for the purposes of Subsection 8.1(a) or (b)(xvii), as applicable, from and after the first date on which the Borrower or any Restricted Subsidiary could have Incurred such Indebtedness under Subsection 8.1(a) or (b)(xvii), as applicable, without reliance on such clause or subclause and (y) the Cash Capped Incremental Facility shall cease to be deemed Incurred or outstanding for purposes of such definition but shall be deemed Incurred for the purposes of the Ratio Incremental Facility from and after the first date on which the Borrower could have Incurred such Indebtedness under the Ratio Incremental Facility without reliance on such provision; (iii) in the event that Indebtedness could be Incurred in part under Subsection 8.1(a), the Borrower, in its sole discretion, may classify a portion of such Indebtedness as having been Incurred under Subsection 8.1(a) and the remainder of such Indebtedness as having been Incurred under Subsection 8.1(b); (iv) the amount of Indebtedness issued at a price that is less than the principal amount thereof shall be equal to the amount of the liability in respect thereof determined in accordance with GAAP; (v) the principal amount of Indebtedness outstanding under any clause or subclause of Subsection 8.1, including for purposes of any determination of the "Maximum Incremental Facilities Amount", shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness; (vi) if any commitments in respect of revolving or deferred draw Indebtedness are established in reliance on any provision of Subsection 8.1(b) measured by reference to Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof), at the Borrower's option in the case of a Limited Condition Transaction, on the date of the initial borrowing of such Indebtedness or entry into the definitive agreement providing for the commitment to fund such Indebtedness, after giving pro forma effect to the Incurrence of the entire committed amount of such Indebtedness, such amount may thereafter be borrowed and reborrowed, in whole or in part, from time to time, irrespective of whether or not such Incurrence would cause such Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof) to be exceeded; (vii) if any Indebtedness is Incurred to refinance Indebtedness (or unutilized commitments in respect of Indebtedness) initially Incurred (or established) (or, to refinance Indebtedness Incurred (or commitments established)) to refinance Indebtedness initially Incurred (or commitments initially established) in reliance on any provision of Subsection 8.1(b) measured by reference to Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof) at the time of Incurrence (or establishment) and such refinancing would cause such Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof) to be exceeded if calculated based on the Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof) on the date of such refinancing, such Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof) shall not be deemed to be exceeded (and such refinancing Indebtedness

shall be deemed permitted) so long as the outstanding or committed principal amount of such refinancing Indebtedness does not exceed an amount equal to the outstanding or committed principal amount of such Indebtedness being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing; and (viii) if any Indebtedness is Incurred to refinance Indebtedness (or unutilized commitments in respect of Indebtedness) initially Incurred (or established) (or, to refinance Indebtedness Incurred (or commitments established) to refinance Indebtedness initially Incurred (or commitments initially established)) in reliance on any provision of Subsection 8.1(b), measured by a dollar amount, such dollar amount shall not be deemed to be exceeded (and such refinancing Indebtedness shall be deemed permitted) to the extent the outstanding or committed principal amount of such refinancing Indebtedness does not exceed an amount equal to the outstanding or committed principal amount of such Indebtedness being refinanced, plus the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing. Notwithstanding anything herein to the contrary, Indebtedness Incurred by the Borrower on the Closing Date under this Agreement or the Senior ABL Agreement, shall be classified as Incurred under Subsection 8.1(b), and not under Subsection 8.1(a).

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(d) For purposes of determining compliance with any provision of Subsection 8.1(b) (or any category of Permitted Liens described in the definition thereof) measured by a dollar amount or by reference to Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof), in each case, for the Incurrence of Indebtedness or Liens securing Indebtedness denominated in a foreign currency, the dollar equivalent principal amount of such Indebtedness Incurred pursuant thereto shall be calculated based on the relevant currency exchange rate in effect on the date that such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of revolving or deferred draw Indebtedness; provided that (x) the dollar equivalent principal amount of any such Indebtedness outstanding on the Closing Date shall be calculated based on the relevant currency exchange rate in effect on the Closing Date, (y) if such Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency (or in a different currency from such Indebtedness so being Incurred), and such refinancing would cause the applicable provision of paragraph (b) above (or category of Permitted Liens) measured by a dollar amount or by reference to Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof), as applicable, to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such provision of Subsection 8.1(b) (or category of Permitted Liens) measured by a dollar amount or by reference to Four Quarter Consolidated EBITDA or Consolidated Tangible Assets (or a percentage thereof), as applicable, shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (i) the outstanding or committed principal amount (whichever is higher) of such Indebtedness being refinanced plus (ii) the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses (including accrued and unpaid interest) Incurred or payable in connection with such refinancing and (z) the dollar equivalent principal amount of Indebtedness denominated in a foreign currency and Incurred pursuant to this Agreement or any Senior ABL Facility shall be calculated based on the relevant currency exchange rate in effect on, at the Borrower's option, (A) the Closing Date, (B) any date on which any of the respective commitments under this Agreement or the applicable Senior ABL Facility shall be reallocated between or among facilities or subfacilities hereunder or thereunder, or on which such rate is otherwise calculated for any purpose thereunder, (C) the date of such Incurrence or (D) the date on which such Indebtedness is allocated or priced, as applicable. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

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8.2 Limitation on Restricted Payments. (a) The Borrower shall not, and shall not permit any Restricted Subsidiary, directly or indirectly, to (i) declare or pay any dividend or make any distribution on or in respect of its Capital Stock (including any such payment in connection with any merger or consolidation to which the Borrower is a party) except (x) dividends or distributions payable solely in its Capital Stock (other than Disqualified Stock) and (y) dividends or distributions payable to the Borrower or any Restricted Subsidiary (and, in

the case of any such Restricted Subsidiary making such dividend or distribution, to other holders of its Capital Stock on no more than a pro rata basis, measured by value), (ii) purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Borrower held by Persons other than the Borrower or a Restricted Subsidiary (other than any acquisition of Capital Stock deemed to occur upon the exercise of options if such Capital Stock represents a portion of the exercise price thereof), (iii) voluntarily purchase, repurchase, redeem, defease or otherwise voluntarily acquire or retire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Junior Debt (other than a purchase, repurchase, redemption, defeasance or other acquisition or retirement for value in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such purchase, repurchase, redemption, defeasance or other acquisition or retirement), or (iv) make any Investment (other than a Permitted Investment) in any Person (any such dividend, distribution, purchase, repurchase, redemption, defeasance, other acquisition or retirement or Investment being herein referred to as a "Restricted Payment"), if at the time the Borrower or such Restricted Subsidiary makes such Restricted Payment after giving effect thereto:

(1) [reserved];

(2) [reserved]; or

(3) the aggregate amount of such Restricted Payment and all other Restricted Payments (the amount so expended, if other than in cash, to be as determined in good faith by the Board of Directors, whose determination shall be conclusive and evidenced by a resolution of the Board of Directors) declared or made subsequent to the Closing Date and then outstanding would exceed, without duplication, the sum of:

(A) 50.0% of the Consolidated Net Income accrued during the period (treated as one accounting period) beginning on the first day of the Fiscal Quarter of the Borrower in which the Closing Date occurs to the end of the most recent Fiscal Quarter of the Borrower ending prior to the date of such Restricted Payment for which consolidated financial statements of the Borrower (or, any Parent Entity or IPO Vehicle whose financial statements satisfy the Borrower's reporting obligations under Subsection 7.1) are available (or, in case such Consolidated Net Income shall be a negative number, 100.0% of such negative number);

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(B) the aggregate Net Cash Proceeds and the fair value (as determined in good faith by the Borrower, which determination shall be conclusive) of property or assets received (x) by the Borrower as capital contributions to the Borrower after the Closing Date or from the issuance or sale (other than to a Restricted Subsidiary) of its Capital Stock (other than Disqualified Stock) after the Closing Date (other than Excluded Contributions, Pubco IPO Transaction Proceeds and Contribution Amounts) or (y) by the Borrower or any Restricted Subsidiary from the Incurrence by the Borrower or any Restricted Subsidiary after the Closing Date of Indebtedness that shall have been converted into or exchanged for Capital Stock of the Borrower (other than Disqualified Stock) or Capital Stock of any Parent Entity or IPO Vehicle, plus the amount of any cash and the fair value (as determined in good faith by the Borrower, which determination shall be conclusive) of any property or assets, received by the Borrower or any Restricted Subsidiary upon such conversion or exchange;

(C) (i) the aggregate amount of cash and the fair value (as determined in good faith by the Borrower, which determination shall be conclusive) of any property or assets received from dividends, distributions, interest payments, return of capital, repayments of Investments or other transfers of assets to the Borrower or any Restricted Subsidiary from any Unrestricted Subsidiary, including dividends or other distributions related to dividends or other distributions made pursuant to Subsection 8.2(b)(ix), plus (ii) the aggregate amount resulting from the redesignation of any Unrestricted Subsidiary as a Restricted Subsidiary (valued in each case as provided in the definition of "Investment"); and

(D) in the case of any disposition or repayment of any Investment constituting a Restricted Payment (without duplication of any amount deducted in calculating the amount of Investments at any time outstanding included in the amount of Restricted Payments), the aggregate amount of cash

and the fair value (as determined in good faith by the Borrower, which determination shall be conclusive) of any property or assets received by the Borrower or a Restricted Subsidiary with respect to all such dispositions and repayments.

(b) The provisions of Subsection 8.2(a) do not prohibit any of the following (each, a “Permitted Payment”):

(i) (x) any purchase, redemption, repurchase, defeasance or other acquisition or retirement of Capital Stock of the Borrower (“Treasury Capital Stock”) or any Junior Debt made by exchange (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares) for, or out of the proceeds of the issuance or sale of, Capital Stock of the Borrower (other than Disqualified Stock and other than Capital Stock issued or sold to a Subsidiary) (“Refunding Capital Stock”) or a capital contribution to the Borrower, in each case other than Excluded Contributions, Pubco IPO Transaction Proceeds and Contribution Amounts; provided that the Net Cash Proceeds from such issuance, sale or capital contribution shall be excluded in subsequent calculations under Subsection 8.2(a)(3)(B); and (y) if immediately prior to such acquisition or retirement of such Treasury Capital Stock, dividends thereon were permitted pursuant to Subsection 8.2(b)(xi), dividends on such Refunding Capital Stock in an aggregate amount per annum not exceeding the aggregate amount per annum of dividends so permitted on such Treasury Capital Stock;

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(ii) any dividend paid or redemption made within 60 days after the date of declaration thereof or of the giving of notice thereof, as applicable, if at such date of declaration or the giving of such notice, such dividend or redemption would have complied with this Subsection 8.2;

(iii) Investments or other Restricted Payments (x) in an aggregate amount outstanding at any time not to exceed the amount of Excluded Contributions or (y) without duplication of clause (x), in an aggregate amount outstanding at any time not to exceed an amount equal to the product of (i) the Net Available Cash from an Asset Disposition in respect of property or assets acquired after the Closing Date, if the acquisition of such property or assets was financed with Excluded Contributions, multiplied by (ii) a fraction the numerator of which is the aggregate amount of Excluded Contributions used to finance the acquisition of such property or assets and the denominator of which is the aggregate cash consideration for the acquisition of such property or assets;

(iv) loans, advances, dividends or distributions by the Borrower to any Parent Entity or IPO Vehicle (whether made directly or indirectly and with “Parent Entity” including, for this purpose, “back to back” transactions involving (x) Management Holdings or (y) any other “management feeder” employed by a Parent Entity for compensatory and/or tax purposes) to permit any Parent Entity or IPO Vehicle to repurchase or otherwise acquire its Capital Stock or other debt or equity securities (including any options, warrants or other rights in respect thereof), or payments by the Borrower or its Subsidiaries to repurchase or otherwise acquire Capital Stock or other debt or equity securities of any Parent Entity or IPO Vehicle or the Borrower or any Subsidiary (including any options, warrants or other rights in respect thereof), in each case from or to current or former Management Investors (including any repurchase or acquisition by reason of the Borrower or any of its Subsidiaries or any Parent Entity or IPO Vehicle retaining any Capital Stock or other debt or equity securities, option, warrant or other right in respect of tax withholding obligations, and any related payment in respect of any such obligation), such payments, loans, advances, dividends or distributions not to exceed an amount (net of repayments of any such loans or advances) equal to (x) (1) the greater of \$60,000,000 and 4.00% of Consolidated Tangible Assets, plus (2) the greater of \$60,000,000 and 4.00% of Consolidated Tangible Assets multiplied by the number of calendar years that have commenced since the Closing Date, plus (y) the Net Cash Proceeds received by the Borrower (or by any Parent Entity or IPO Vehicle and contributed to the Capital Stock (other than Disqualified Stock) of the Borrower other than in the form of Disqualified Stock) on or since the Closing Date from, or as a capital contribution from, the issuance or sale to Management Investors of Capital Stock or other debt or equity securities (including any options, warrants or other rights in respect thereof), to the extent such Net Cash Proceeds are not included in any calculation under Subsection 8.2(a)(3)(B)(x), plus (z) the cash proceeds of key man life insurance policies received by the Borrower or any Restricted Subsidiary (or by any Parent Entity or IPO Vehicle and contributed to the Capital Stock (other than

Disqualified Stock) of the Borrower) on or since the Closing Date to the extent such cash proceeds are not included in any calculation under Subsection 8.2(a)(3)(A); provided that any cancellation of Indebtedness owing to the Borrower or any Restricted Subsidiary by any current or former Management Investor in connection with any repurchase or other acquisition of Capital Stock or other debt or equity securities (including any options, warrants or other rights in respect thereof) from any Management Investor shall not constitute a Restricted Payment for purposes of this covenant or any other provision of this Agreement;

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(v) Restricted Payments following a Qualified IPO (including, for the avoidance of doubt, the Pubco IPO) in an amount not to exceed in any fiscal year of the Borrower the sum of (x) 7.0% of the aggregate gross proceeds received by the Borrower (whether directly, or indirectly through a contribution to common equity capital) in or from such Qualified IPO and (y) 7.0% of Market Capitalization;

(vi) Restricted Payments (including loans or advances) in an aggregate amount outstanding at any time not to exceed an amount (net of repayments of any such loans or advances) equal to the sum of (x) the greater of \$140,500,000 and 8.50% of Consolidated Tangible Assets, plus (y) the aggregate amount of all Declined Amounts, plus (z) the aggregate amount of all Leverage Excess Proceeds;

(vii) loans, advances, dividends, distributions or other payments by the Borrower or any Restricted Subsidiary to any Parent Entity or IPO Vehicle (A) to satisfy or permit any Parent Entity or IPO Vehicle to satisfy obligations under the Transaction Agreements, (B) pursuant to any Tax Sharing Agreement or to pay or permit any Parent Entity or IPO Vehicle to pay (but without duplication) any amount pursuant to the Tax Receivable Agreements (excluding any accelerated lump sum amount payable upon an early termination of a Tax Receivables Agreement to the extent such amount exceeds the amount that would have been payable under such agreement in the absence of such acceleration) or (C) to pay or permit any Parent Entity or IPO Vehicle to pay (but without duplication) any Parent Expenses or any Related Taxes;

(viii) payments by the Borrower, or loans, advances, dividends or distributions by the Borrower to any Parent Entity or IPO Vehicle to make payments, to holders of Capital Stock of the Borrower or any Parent Entity or IPO Vehicle in lieu of issuance of fractional shares of such Capital Stock;

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(ix) dividends or other distributions of, or Investments paid for or made with, Capital Stock, Indebtedness or other securities of Unrestricted Subsidiaries;

(x) any Restricted Payment pursuant to or in connection with the Transactions or the Tranche B Effective Date Transactions;

(xi) (A) dividends on any Designated Preferred Stock of the Borrower issued after the Closing Date; provided that at the time of such issuance and after giving effect thereto on a pro forma basis, the Consolidated Coverage Ratio would be equal to or greater than 2.00:1.00, (B) loans, advances, dividends or distributions to any Parent Entity or IPO Vehicle to permit dividends on any Designated Preferred Stock of any Parent Entity or IPO Vehicle issued after the Closing Date if the net proceeds of the issuance of such Designated Preferred Stock have been contributed to the Borrower or any of its Restricted Subsidiaries; provided that the aggregate amount of all loans, advances, dividends or distributions paid pursuant to this subclause (B) shall not exceed the net proceeds of such issuance of Designated Preferred Stock received by or contributed to the Borrower or any of its Restricted Subsidiaries, or (C) any dividend on Refunding Capital Stock of the Borrower that is Preferred Stock; provided that at the time of the declaration of such dividend and after giving effect thereto on a pro forma basis, the Consolidated Coverage Ratio would be equal to or greater than 2.00:1.00;

(xii) distributions or payments of Special Purpose Financing Fees;

(xiii) the declaration and payment of dividends to holders of any class or series of Disqualified Stock, or of any Preferred Stock of a Restricted Subsidiary, incurred in accordance with the terms of Subsection 8.1;

(xiv) any purchase, redemption, repurchase, defeasance or other acquisition, retirement or repayment of any Junior Debt (u) made by exchange for, or out of the proceeds of the Incurrence of, (1) Refinancing Indebtedness Incurred in compliance with Subsection 8.1 or (2) new Indebtedness of the Borrower, or a

Restricted Subsidiary, as the case may be, Incurred in compliance with Subsection 8.1, so long as such new Indebtedness satisfies all requirements for "Refinancing Indebtedness" set forth in the definition thereof applicable to a refinancing of such Junior Debt, (v) from Net Available Cash or an equivalent amount to the extent permitted by Subsection 8.4, (w) from declined amounts as contemplated by Subsection 4.4(h), (x) following the occurrence of a Change of Control (or other similar event described therein as a "change of control"), but only if the Borrower shall have complied with Subsection 8.8(a) prior to purchasing, redeeming, repurchasing, defeasing, acquiring, retiring or repaying such Junior Debt, (y) constituting Acquired Indebtedness or (z) in an aggregate amount at any time not exceeding an amount equal to the greater of \$115,500,000 and 7.00% of Consolidated Tangible Assets;

(xv) Investments in Unrestricted Subsidiaries in an aggregate amount outstanding at any time not exceeding an amount equal to the greater of \$190,000,000 and 11.50% of Consolidated Tangible Assets;

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(xvi) (x) any Restricted Payments of the type described in clause (i) or (ii) of the definition thereof contained in Subsection 8.2(a); provided that on a pro forma basis after giving effect to such Restricted Payment the Consolidated Total Leverage Ratio would be equal to or less than 3.00:1.00, (y) any Restricted Payments of the type described in clause (iii) of the definition thereof contained in Subsection 8.2(a); provided that on a pro forma basis after giving effect to such Restricted Payment the Consolidated Total Leverage Ratio would be equal to or less than 3.50:1.00 and (z) any Restricted Payments of the type described in clause (iv) of the definition thereof contained in Subsection 8.2(a); provided that on a pro forma basis after giving effect to such Restricted Payment the Consolidated Total Leverage Ratio would be equal to or less than 3.75:1.00;

(xvii) Restricted Payments in cash to pay or permit any Parent Entity or IPO Vehicle to pay any amounts payable in respect of guarantees, indemnities, obligations in respect of earn-outs or other purchase price adjustments, or similar obligations, incurred in connection with the acquisition or disposition of any business, assets or Person, as long as such business, assets or Person have been acquired by or disposed of by the Borrower or a Restricted Subsidiary, or such business, assets or Person (or in the case of a disposition, the Net Available Cash in respect thereof) have been contributed to the Borrower or a Restricted Subsidiary;

(xviii) payments or distributions to satisfy dissenters' or appraisal rights and the settlement of any claims or actions (whether actual, contingent or potential) with respect thereto, pursuant to or in connection with any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary, or any other Investment; and

(xix) Restricted Payments to any Parent Entity or IPO Vehicle the proceeds of which are applied by any Parent Entity or IPO Vehicle in connection with any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into such Parent Entity or IPO Vehicle or any Subsidiary thereof, or any other Investment; provided that (A) such Restricted Payment shall be made substantially concurrently with the closing of such acquisition, merger or consolidation or other Investment and (B) any Parent Entity or IPO Vehicle shall, substantially concurrently with the closing thereof, cause (1) such business, assets or Person acquired and any liabilities assumed to be contributed to the Borrower or a Restricted Subsidiary or (2) the merger into the Borrower or one of its Restricted Subsidiaries that is a Loan Party in accordance with Subsection 8.7;

provided that (A) in the case of Subsections 8.2(b)(ii) and (viii), the net amount of any such Permitted Payment shall be included in subsequent calculations of the amount of Restricted Payments and (B) in all cases other than pursuant to clause (A) immediately above, the net amount of any such Permitted Payment shall be excluded in subsequent calculations of the amount of Restricted Payments. The amount of any Investment or other Restricted Payment, if other than in cash, shall be determined in good faith by the Borrower, which determination shall be conclusive. The Borrower, in its sole discretion, may classify any Investment or other Restricted Payment as being made in part under one of the provisions of this Subsection 8.2 (or, in the case of any Investment, the clauses or subclauses of Permitted Investments) and in part under one or more other such provisions (or, as applicable, such clauses or subclauses).

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Notwithstanding any other provision of this Agreement, this Agreement shall not restrict any redemption or other payment by the Borrower or any Restricted Subsidiary made as a mandatory principal redemption or other payment in respect of Junior Debt pursuant to an "AHYDO saver" provision of any agreement or instrument in respect of Junior Debt, and the Borrower's determination in good faith (which determination shall be conclusive) of the amount of any such "AHYDO saver" mandatory principal redemption or other payment shall be conclusive and binding for all purposes under this Agreement.

8.3 Limitation on Restrictive Agreements. The Borrower will not, and will not permit any Restricted Subsidiary to, create or otherwise cause to exist or become effective any consensual encumbrance or restriction on (i) the ability of the Borrower or any of its Restricted Subsidiaries (other than any Foreign Subsidiaries or any Excluded Subsidiaries) to create, incur, assume or suffer to exist any Lien in favor of the Lenders in respect of obligations and liabilities under this Agreement or any other Loan Documents upon any of its property, assets or revenues constituting Term Loan Priority Collateral as and to the extent contemplated by this Agreement and the other Loan Documents, whether now owned or hereafter acquired or (ii) the ability of any Restricted Subsidiary to (x) pay dividends or make any other distributions on its Capital Stock or pay any Indebtedness or other obligations owed to the Borrower, (y) make any loans or advances to the Borrower or (z) transfer any of its property or assets to the Borrower (provided that dividend or liquidation priority between classes of Capital Stock, or subordination of any obligation (including the application of any remedy bars thereto) to any other obligation, will not be deemed to constitute such an encumbrance or restriction), except any encumbrance or restriction:

(a) pursuant to an agreement or instrument in effect at or entered into on the Closing Date, this Agreement and the other Loan Documents, the ABL Facility Documents, the Senior Notes Documents, the ABL/Term Loan Intercreditor Agreement and, on and after the execution and delivery thereof, any Junior Lien Intercreditor Agreement, any Other Intercreditor Agreement, any Intercreditor Agreement Supplement, any Permitted Debt Exchange Notes (and any related documents) and any Additional Obligations Documents;

(b) pursuant to any agreement or instrument of a Person, or relating to Indebtedness or Capital Stock of a Person, which Person is acquired by or merged or consolidated with or into the Borrower or any Restricted Subsidiary, or which agreement or instrument is assumed by the Borrower or any Restricted Subsidiary in connection with an acquisition of assets from such Person or any other transaction entered into in connection with any such acquisition, merger or consolidation, as in effect at the time of such acquisition, merger, consolidation or transaction (except to the extent that such Indebtedness was Incurred to finance, or otherwise Incurred in connection with, such acquisition, merger, consolidation or transaction); provided that for purposes of this Subsection 8.3(b), if a Person other than the Borrower is the Successor Borrower with respect thereto, any Subsidiary thereof or agreement or instrument of such Person or any such Subsidiary shall be deemed acquired or assumed, as the case may be, by the Borrower or a Restricted Subsidiary, as the case may be, when such Person becomes such Successor Borrower;

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(c) pursuant to an agreement or instrument (a "Refinancing Agreement") effecting a refinancing of Indebtedness Incurred or outstanding pursuant or relating to, or that otherwise extends, renews, refunds, refinances or replaces, any agreement or instrument referred to in Subsection 8.3(a) or (b) or this Subsection 8.3(c) (an "Initial Agreement") or that is, or is contained in, any amendment, supplement or other modification to an Initial Agreement or Refinancing Agreement (an "Amendment"); provided, however, that the encumbrances and restrictions contained in any such Refinancing Agreement or Amendment taken as a whole are not materially less favorable to the Lenders than encumbrances and restrictions contained in the Initial Agreement or Initial Agreements to which such Refinancing Agreement or Amendment relates (as determined in good faith by the Borrower, which determination shall be conclusive);

(d) (i) pursuant to any agreement or instrument that restricts in a customary manner (as determined by the Borrower in good faith, which determination shall be conclusive) the assignment or transfer thereof, or the subletting, assignment or transfer of any property or asset subject thereto, (ii) by virtue of any transfer of, agreement to transfer, option or right with respect to, or Lien on, any property or assets of the Borrower or any Restricted Subsidiary not otherwise prohibited by this Agreement, (iii) contained in mortgages, pledges or other security agreements securing Indebtedness or other obligations of the Borrower or a Restricted Subsidiary to the extent restricting the transfer of the property or assets subject thereto, (iv) pursuant to

customary provisions (as determined by the Borrower in good faith, which determination shall be conclusive) restricting dispositions of real property interests set forth in any reciprocal easement agreements of the Borrower or any Restricted Subsidiary, (v) pursuant to Purchase Money Obligations that impose encumbrances or restrictions on the property or assets so acquired, (vi) on cash or other deposits or net worth or inventory imposed by customers or suppliers under agreements entered into in the ordinary course of business, (vii) pursuant to customary provisions (as determined by the Borrower in good faith, which determination shall be conclusive) contained in agreements and instruments entered into in the ordinary course of business (including but not limited to leases and licenses) or in joint venture and other similar agreements or in shareholder, partnership, limited liability company and other similar agreements in respect of non-wholly owned Restricted Subsidiaries, (viii) that arises or is agreed to in the ordinary course of business and does not detract from the value of property or assets of the Borrower or any Restricted Subsidiary in any manner material to the Borrower or such Restricted Subsidiary, (ix) pursuant to Hedging Obligations or Bank Products Obligations or (x) that arises under the terms of documentation governing any factoring agreement or any similar arrangements that in the good faith determination of the Borrower, which determination shall be conclusive, are necessary or appropriate to effect such factoring agreement or similar arrangements;

(e) with respect to any agreement for the direct or indirect disposition of Capital Stock, property or assets of any Person, imposing restrictions with respect to such Person, Capital Stock, property or assets pending the closing of such sale or other disposition;

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(f) by reason of any applicable law, rule, regulation or order, or required by any regulatory authority having jurisdiction over the Borrower or any Restricted Subsidiary or any of their businesses, including any such law, rule, regulation, order or requirement applicable in connection with such Restricted Subsidiary's status (or the status of any Subsidiary of such Restricted Subsidiary) as an Insurance Subsidiary;

(g) pursuant to an agreement or instrument (i) relating to any Indebtedness permitted to be Incurred subsequent to the Closing Date pursuant to Subsection 8.1 (x) if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Lenders than the encumbrances and restrictions contained in the Initial Agreements (as determined in good faith by the Borrower, which determination shall be conclusive), or (y) if such encumbrance or restriction is not materially more disadvantageous to the Lenders than is customary in comparable financings (as determined in good faith by the Borrower, which determination shall be conclusive) and either (1) the Borrower determines in good faith, which determination shall be conclusive, that such encumbrance or restriction will not materially affect the Borrower's ability to create and maintain the Liens on the Term Loan Priority Collateral pursuant to the Security Documents and make principal or interest payments on the Loans or (2) such encumbrance or restriction applies only if a default occurs under a circumstance described in Subsection 9.1(f) or in respect of a payment or financial covenant relating to such Indebtedness, (ii) relating to any sale of receivables by or Indebtedness of a Foreign Subsidiary or (iii) relating to Indebtedness of or a Financing Disposition by or to or in favor of any Special Purpose Entity;

(h) any agreement relating to intercreditor arrangements and related rights and obligations, to or by which the Lenders and/or the Administrative Agent, the Collateral Agent or any other agent, trustee or representative on their behalf may be party or bound at any time or from time to time, and any agreement providing that in the event that a Lien is granted for the benefit of the Lenders another Person shall also receive a Lien, which Lien is permitted by Subsection 8.6; or

(i) any agreement governing or relating to Indebtedness and/or other obligations and liabilities secured by a Lien permitted by Subsection 8.6 (in which case any restriction shall only be effective against the assets subject to such Lien, except as may be otherwise permitted under this Subsection 8.3).

8.4 Limitation on Sales of Assets and Subsidiary Stock. (a) The Borrower will not, and will not permit any Restricted Subsidiary to, make any Asset Disposition unless:

(i) the Borrower or such Restricted Subsidiary receives consideration (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise) at the time of such Asset Disposition at least equal to the fair market value (as of the date on which a legally binding commitment

for such Asset Disposition was entered into) of the shares and assets subject to such Asset Disposition, as such fair market value may be determined (and shall be determined, to the extent such Asset Disposition or any series of related Asset Dispositions involves aggregate consideration in excess of the greater of \$100,000,000 and 6.50% of Consolidated Tangible Assets) in good faith by the Borrower, whose determination shall be conclusive (including as to the value of all non-cash consideration);

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(ii) in the case of any Asset Disposition (or series of related Asset Dispositions) having a fair market value (as determined in good faith by the Borrower, whose determination shall be conclusive), as of the date on which a legally binding commitment for such Asset Disposition was entered into of the greater of \$100,000,000 and 6.50% of Consolidated Tangible Assets or more, at least 75.0% of the consideration therefor (excluding, in the case of an Asset Disposition (or series of related Asset Dispositions), any consideration by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise, that are not Indebtedness) received by the Borrower or such Restricted Subsidiary for such Asset Disposition, when taken together with any consideration received by the Borrower or any Restricted Subsidiary in connection with all other Asset Dispositions since the Closing Date (on a cumulative basis), is in the form of cash; and

(iii) either (x) if the Borrower or such Restricted Subsidiary elects, to the extent such Asset Disposition or Recovery Event is an Asset Disposition or Recovery Event of assets that constitute ABL Priority Collateral, to purchase, redeem, repay or prepay, to the extent the Borrower or any Restricted Subsidiary is required by the terms thereof, Indebtedness under the Senior ABL Facility or (in the case of letters of credit, bankers' acceptances or other similar instruments issued thereunder) cash collateralize any such Indebtedness within the time period required by such Indebtedness after the later of the date of such Asset Disposition or Recovery Event, as the case may be, and the date of receipt of such Net Available Cash or (y) to the extent required by Subsection 8.4(b), the Net Available Cash from such Asset Disposition (such amount, the "Net Available Cash Amount") is applied by the Borrower (or any Restricted Subsidiary, as the case may be) as provided therein.

(b) In the event that on or after the Closing Date the Borrower or any Restricted Subsidiary shall make an Asset Disposition or a Recovery Event in respect of Collateral shall occur, subject to Subsection 8.4(a), an amount equal to 100.0% (as such percentage may be adjusted pursuant to clause (3) of the proviso to this Subsection 8.4(b)) of the Net Available Cash from such Asset Disposition or Recovery Event shall be applied by the Borrower (or any Restricted Subsidiary, as the case may be) as follows:

(i) first, to the extent the Borrower or such Restricted Subsidiary elects (by delivery of an officer's certificate by a Responsible Officer to the Administrative Agent) to invest in Additional Assets (including by means of an investment in Additional Assets by a Restricted Subsidiary with an amount equal to Net Available Cash received by the Borrower or another Restricted Subsidiary) within (x) 720 days after the later of the date of such Asset Disposition or Recovery Event, as the case may be, and the date of receipt of such Net Available Cash (such period the "Reinvestment Period") or, (y) if such investment in Additional Assets is a project authorized by the Board of Directors that will take longer than such 720 days to complete and is subject to a binding written commitment or letter of intent entered into during the Reinvestment Period, an additional 180 days after the last day of the Reinvestment Period (it being understood and agreed that if no such investment is made within the Reinvestment Period as extended by this clause (y), the Borrower shall make the prepayments required by Subsection 8.4(b)(ii) within ten Business Days after the earlier to occur of (I) the last day of such Reinvestment Period as extended by this clause (y) and (II) the date the Borrower elects not to pursue such investment);

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(ii) second, (1) if no application of Net Available Cash election is made pursuant to the preceding clause (i) with respect to such Asset Disposition or Recovery Event or (2) if such election is made to the extent of the balance of such Net Available Cash or equivalent amount after application in accordance with Subsection 8.4(b)(i), within ten Business Days after the end of the Reinvestment Period specified in clause (i) above (as extended pursuant to clause (y) of such clause (i)) (x) to the extent such Asset Disposition or Recovery Event is an Asset Disposition or Recovery Event of assets that constitute Collateral, to purchase,

redeem, repay, prepay, make an offer to prepay or repurchase, or deliver a notice of redemption, in accordance with Subsection 4.4(e)(i) (subject to Subsection 4.4(h)) or the agreements or instruments governing the relevant Indebtedness described in clause (B) below (subject to any provision under such agreement or instrument analogous to Subsection 4.4(h)), as applicable, (A) the Term Loans and (B) to the extent the Borrower or any Restricted Subsidiary is required by the terms thereof any Pari Passu Indebtedness on no more than a pro rata basis with the Term Loans and (y) to the extent such Asset Disposition is an Asset Disposition of assets that do not constitute Collateral, to purchase, redeem, repay, prepay, make an offer to prepay or repurchase, or deliver a notice of redemption, in accordance with Subsection 4.4(e)(i) (subject to Subsection 4.4(h)) or the agreements or instruments governing any relevant Indebtedness permitted under Subsection 8.1 (subject to any provision under such agreement or instrument analogous to Subsection 4.4(h)), as applicable, (A) the Term Loans and (B) to the extent the Borrower or any Restricted Subsidiary is required by the terms thereof, any other Indebtedness (other than Indebtedness subordinated in right of payment to the Term Loan Facility Obligations) on no more than a pro rata basis with the Term Loans; and

(iii) third, to the extent of the balance of such Net Available Cash Amount or equivalent amount after application in accordance with Subsections 8.4(b)(i) and (ii) above (including an amount equal to the amount of any prepayment otherwise contemplated by clause (ii) above in connection with such Asset Disposition or Recovery Event that is declined by any Lender), to fund (to the extent consistent with any other applicable provision of this Agreement) any general corporate purpose (including but not limited to the repurchase, repayment or other acquisition or retirement of any Junior Debt or the making of other Restricted Payments);

provided, however, that (1) in connection with any prepayment, repayment, purchase or redemption of Indebtedness pursuant to clause (ii) above, the Borrower or such Restricted Subsidiary will retire such Indebtedness and will cause the related loan commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid, purchased or redeemed; (2) the Borrower (or any Restricted Subsidiary, as the case may be) may elect to invest in Additional Assets prior to receiving the Net Available Cash attributable to any given Asset Disposition (provided that, such investment shall be made no earlier than the earliest of notice of the relevant Asset Disposition to the Administrative Agent, execution of a definitive agreement for the relevant Asset Disposition, and consummation of the relevant Asset Disposition) and deem the amount so invested to be applied pursuant to and in accordance with Subsection 8.4(b)(i) above with respect to such Asset Disposition; and (3) the percentage first set forth above in this Subsection 8.4(b) shall be reduced to (x) 50.0% if the Consolidated Secured Leverage Ratio at the time of such Asset Disposition (or, at the Borrower's option, on the date a legally binding commitment for such Asset Disposition was entered into) or Recovery Event would be less than or equal to 3.25:1.00 and (y) 0.0% if the Consolidated Secured Leverage Ratio at the time of such Asset Disposition (or, at the Borrower's option, on the date a legally binding commitment for such Asset Disposition was entered into) or Recovery Event would be less than or equal to 2.75:1.00, in each case after giving pro forma effect thereto and to any application of Net Available Cash as set forth herein (any Net Available Cash in respect of such Asset Dispositions not required to be applied in accordance with this Subsection 8.4(b) as a result of the application of this proviso shall collectively constitute "Leverage Excess Proceeds").

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(c) Notwithstanding the foregoing provisions of this Subsection 8.4, the Borrower and the Restricted Subsidiaries shall not be required to apply any Net Available Cash or equivalent amount in accordance with this Subsection 8.4 except to the extent that (x) the aggregate Net Available Cash from all Asset Dispositions and Recovery Events in respect of Collateral or equivalent amount that is not applied in accordance with this Subsection 8.4 (excluding all Leverage Excess Proceeds) exceeds the greater of \$80,000,000 and 5.00% of Consolidated Tangible Assets, in which case the Borrower and the Restricted Subsidiaries shall apply all of such Net Available Cash from such Asset Dispositions and Recovery Events or equivalent amount from such Asset Dispositions in excess of such threshold in accordance with Subsection 8.4(b) or (y) the terms of any Pari Passu Indebtedness would require Net Available Cash or the equivalent amount from such Asset Dispositions and Recovery Events to be applied to purchase, redeem, repay or prepay such Indebtedness prior to reaching such greater of \$80,000,000 and 5.00% of Consolidated Tangible Assets threshold.

(d) For the purposes of Subsection 8.4(a)(ii), the following are deemed to be cash: (1) Temporary Cash Investments and Cash Equivalents, (2) the assumption of Indebtedness of the Borrower (other than

Disqualified Stock of the Borrower) or any Restricted Subsidiary and the release of the Borrower or such Restricted Subsidiary from all liability on payment of the principal amount of such Indebtedness in connection with such Asset Disposition, (3) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Disposition, to the extent that the Borrower and each other Restricted Subsidiary are released from any Guarantee of payment of the principal amount of such Indebtedness in connection with such Asset Disposition, (4) securities received by the Borrower or any Restricted Subsidiary from the transferee that are converted by the Borrower or such Restricted Subsidiary into cash within 180 days, (5) consideration consisting of Indebtedness of the Borrower or any Restricted Subsidiary, (6) Additional Assets, and (7) any Designated Noncash Consideration received by the Borrower or any of its Restricted Subsidiaries in an Asset Disposition having an aggregate fair market value (as determined by the Borrower in good faith, which determination shall be conclusive), taken together with all other Designated Noncash Consideration received pursuant to this clause (7), not to exceed an aggregate amount at any time outstanding equal to the greater of \$190,000,000 and 11.50% of Consolidated Tangible Assets (with the fair market value (as determined by the Borrower in good faith, which determination shall be conclusive) of each item of Designated Noncash Consideration being measured on the date a legally binding commitment for such Asset Disposition (or, if later, for the payment of such item) was entered into and without giving effect to subsequent changes in value).

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8.5 Limitations on Transactions with Affiliates. (a) The Borrower will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or conduct any transaction or series of related transactions (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of the Borrower (an "Affiliate Transaction") involving aggregate consideration in excess of the greater of \$50,000,000 and 3.50% of Consolidated Tangible Assets unless (i) the terms of such Affiliate Transaction are not materially less favorable to the Borrower or such Restricted Subsidiary, as the case may be, than those that could be obtained at the time in a transaction with a Person who is not such an Affiliate and (ii) if such Affiliate Transaction involves aggregate consideration in excess of the greater of \$100,000,000 and 6.50% of Consolidated Tangible Assets, the terms of such Affiliate Transaction have been approved by a majority of the Board of Directors. For purposes of this Subsection 8.5(a), any Affiliate Transaction shall be deemed to have satisfied the requirements set forth in this Subsection 8.5(a) if (x) such Affiliate Transaction is approved by a majority of the Disinterested Directors or (y) in the event there are no Disinterested Directors, a fairness opinion is provided by a nationally recognized appraisal or investment banking firm with respect to such Affiliate Transaction.

(b) The provisions of Subsection 8.5(a) will not apply to:

(i) any Restricted Payment Transaction,

(ii) (1) the entering into, maintaining or performance of any employment or consulting contract, collective bargaining agreement, benefit plan, program or arrangement, related trust agreement or any other similar arrangement for or with any current or former management member, employee, officer or director or consultant of or to the Borrower, any Restricted Subsidiary or any Parent Entity or IPO Vehicle heretofore or hereafter entered into in the ordinary course of business, including vacation, health, insurance, deferred compensation, severance, retirement, savings or other similar plans, programs or arrangements, (2) payments, compensation, performance of indemnification or contribution obligations, the making or cancellation of loans in the ordinary course of business to any such management members, employees, officers, directors or consultants, (3) any issuance, grant or award of stock, options, other equity related interests or other securities, to any such management members, employees, officers, directors or consultants, (4) the payment of reasonable fees to directors of the Borrower or any of its Subsidiaries or any Parent Entity or IPO Vehicle (as determined in good faith by the Borrower, such Subsidiary or such Parent Entity or IPO Vehicle, which determination shall be conclusive), or (5) Management Advances and payments in respect thereof (or in reimbursement of any expenses referred to in the definition of such term),

(iii) any transaction between or among any of the Borrower, one or more Restricted Subsidiaries, or one or more Special Purpose Entities,

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(iv) any transaction arising out of agreements or instruments in existence on the Closing Date and set forth on Schedule 8.5 (other than any Transaction Agreements referred to in Subsection 8.5(b)(vii)), or any amendment, supplement, waiver or other modification thereto (so long as such amendment, supplement, waiver or other modification is not disadvantageous in any material respect in the good faith judgment of the Borrower, whose determination shall be conclusive, to the Lenders when taken as a whole as compared to the applicable agreement or instrument as in effect on the Closing Date), and any payments made pursuant thereto,

(v) any transaction in the ordinary course of business on terms that are fair to the Borrower and its Restricted Subsidiaries in the reasonable determination of the Board of Directors or senior management of the Borrower, or are not materially less favorable to the Borrower or the relevant Restricted Subsidiary than those that could be obtained at the time in a transaction with a Person who is not an Affiliate of the Borrower,

(vi) any transaction in the ordinary course of business, or approved by a majority of the Board of Directors, between the Borrower or any Restricted Subsidiary and any Affiliate of the Borrower controlled by the Borrower that is a joint venture or similar entity,

(vii) (1) the execution, delivery and performance of any obligations under any Tax Sharing Agreement or payments by the Borrower or any Restricted Subsidiary to any Parent Entity or IPO Vehicle to pay or permit any Parent Entity or IPO Vehicle to pay any amount pursuant to the Tax Receivables Agreements (excluding the payment of any accelerated lump sum amount payable upon an early termination of a Tax Receivables Agreement to the extent such amount exceeds the amount that would have been payable under such agreement in the absence of such acceleration) and any Transaction Agreement, and (2) payments to CD&R or any of its Affiliates (x) for any management, consulting or advisory services pursuant to the CD&R Consulting Agreement or as may be approved by a majority of the Disinterested Directors, (y) in connection with any acquisition, disposition, merger, recapitalization or similar transactions, which payments are made pursuant to the Transaction Agreements or are approved by a majority of the Board of Directors in good faith, which determination shall be conclusive, and (z) of all out-of-pocket expenses incurred in connection with such services or activities,

(viii) the Transactions and the Tranche B Effective Date Transactions, all transactions in connection therewith (including but not limited to the financing thereof), and all fees and expenses paid or payable in connection with the Transactions and the Tranche B Effective Date Transactions, including the fees and out-of-pocket expenses of CD&R and its Affiliates,

(ix) any issuance or sale of Capital Stock (other than Disqualified Stock) of the Borrower or Junior Capital or any capital contribution to the Borrower,

(x) (i) any investment by any CD&R Investor in securities or loans of the Borrower or any of its Restricted Subsidiaries (and payment of out-of-pocket expenses incurred by any CD&R Investor in connection therewith) so long as such investments are being offered by the Borrower or the applicable Restricted Subsidiary generally to investors (other than CD&R Investors) on the same or more favorable terms and (ii) payments to any CD&R Investor in respect of securities or loans of the Borrower or any of its Restricted Subsidiaries contemplated in the foregoing subclause (i) or that were acquired from Persons other than the Borrower and its Restricted Subsidiaries, in each case, in accordance with the terms of such securities or loans, and

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(xi) the pledge of Capital Stock, Indebtedness or other securities of any Unrestricted Subsidiary or joint venture to lenders to support the Indebtedness or other obligations of such Unrestricted Subsidiary or joint venture, respectively, owed to such lenders.

8.6 Limitation on Liens. The Borrower shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create or permit to exist any Lien (other than Permitted Liens) on any of its property or assets (including Capital Stock of any other Person), whether owned on the Closing Date or thereafter acquired, securing any Indebtedness (the "Initial Lien") unless, in the case of Initial Liens on any asset or property other than Collateral, the Term Loan Facility Obligations are equally and ratably secured with (or on a senior basis to, in the case such Initial Lien secures any Junior Debt) the obligations secured by such Initial Lien for so long as such

obligations are so secured. Any such Lien created in favor of the Term Loan Facility Obligations pursuant to the preceding sentence requiring an equal and ratable (or senior, as applicable) Lien for the benefit of the Term Loan Facility Obligations will be automatically and unconditionally released and discharged upon (i) the release and discharge of the Initial Lien to which it relates, (ii) in the case of any such Lien in favor of any Subsidiary Guaranty, the termination and discharge of such Subsidiary Guaranty in accordance with the terms thereof, hereof and of the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement and any Other Intercreditor Agreement, in each case, to the extent applicable, or (iii) any sale, exchange or transfer (other than a transfer constituting a transfer of all or substantially all of the assets of the Borrower that is governed by the provisions of Subsection 8.7) to any Person not an Affiliate of the Borrower of the property or assets secured by such Initial Lien, or of all of the Capital Stock held by the Borrower or any Restricted Subsidiary in, or all or substantially all the assets of, any Restricted Subsidiary creating such Initial Lien.

8.7 Limitation on Fundamental Changes. (a) The Borrower will not consolidate with or merge with or into, or convey, lease or otherwise transfer all or substantially all its assets to, any Person (including pursuant to a Division), unless:

(i) the resulting, surviving or transferee Person (the “Successor Borrower”) will be a Person organized and existing under the laws of the United States of America, any state thereof or the District of Columbia and the Successor Borrower (if not the Borrower) will expressly assume all the obligations of the Borrower under this Agreement and the Loan Documents to which it is a party by executing and delivering to the Administrative Agent a joinder or one or more other documents or instruments in form reasonably satisfactory to the Administrative Agent;

(ii) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Successor Borrower or any Restricted Subsidiary as a result of such transaction as having been Incurred by the Successor Borrower or such Restricted Subsidiary at the time of such transaction), no Event of Default shall have occurred and be continuing;

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(iii) immediately after giving effect to such transaction, either (A) the Borrower (or, if applicable, the Successor Borrower with respect thereto) could Incur at least \$1.00 of additional Indebtedness pursuant to Subsection 8.1(a) or Subsection 8.1(b)(xvii), (B) the Consolidated Coverage Ratio of the Borrower (or, if applicable, the Successor Borrower with respect thereto) would equal or exceed the Consolidated Coverage Ratio of the Borrower immediately prior to giving effect to such transaction or (C) the Consolidated Total Leverage Ratio of the Borrower (or, if applicable, the Successor Borrower with respect thereto) would equal or be less than the Consolidated Total Leverage Ratio of the Borrower immediately prior to giving effect to such transaction;

(iv) each Subsidiary Guarantor (other than (x) any Subsidiary Guarantor that will be released from its obligations under its Subsidiary Guaranty in connection with such transaction and (y) any party to any such consolidation or merger) shall have delivered a joinder or other document or instrument in form reasonably satisfactory to the Administrative Agent, confirming its Subsidiary Guaranty (other than any Subsidiary Guaranty that will be discharged or terminated in connection with such transaction);

(v) each Subsidiary Guarantor (other than (x) any Subsidiary that will be released from its grant or pledge of Collateral under the Guarantee and Collateral Agreement in connection with such transaction and (y) any party to any such consolidation or merger) shall have by a supplement to the Guarantee and Collateral Agreement or another document or instrument affirmed that its obligations thereunder shall apply to its Guarantee as reaffirmed pursuant to clause (iv) above;

(vi) [reserved]; and

(vii) the Borrower will have delivered to the Administrative Agent a certificate signed by a Responsible Officer to the effect that such consolidation, merger or transfer complies with the provisions described in this Subsection 8.7(a).

(b) Any Indebtedness that becomes an obligation of the Borrower (or, if applicable, any Successor Borrower with respect thereto) or any Restricted Subsidiary (or that is deemed to be Incurred by any Restricted

Subsidiary that becomes a Restricted Subsidiary) as a result of any such transaction undertaken in compliance with this Subsection 8.7, and any Refinancing Indebtedness with respect thereto, shall be deemed to have been incurred in compliance with Subsection 8.1.

(c) Upon any transaction involving the Borrower in accordance with Subsection 8.7(a) in which the Borrower is not the Successor Borrower, the Successor Borrower will succeed to, and be substituted for, and may exercise every right and power of, the Borrower under the Loan Documents, and shall become the "Borrower" for all purposes of Loan Documents, and thereafter the predecessor Borrower shall be relieved of all obligations and covenants under the Loan Documents, and shall cease to constitute the "Borrower" for all purposes of the Loan Documents, except that the predecessor Borrower in the case of a lease of all or substantially all its assets will not be released from the obligation to pay the principal of and interest on the Term Loans.

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(d) Clauses (ii) and (iii) of Subsection 8.7(a) will not apply to any transaction in which (I) the Borrower consolidates or merges with or into or transfers all or substantially all its properties and assets to (x) an Affiliate incorporated or organized for the purpose of reincorporating or reorganizing the Borrower in another jurisdiction or changing its legal structure to a corporation, limited liability company or other entity or (y) a Restricted Subsidiary of the Borrower so long as all assets of the Borrower and the Restricted Subsidiaries immediately prior to such transaction (other than Capital Stock of such Restricted Subsidiary) are owned by such Restricted Subsidiary and its Restricted Subsidiaries immediately after the consummation thereof or (II) an Escrow Subsidiary merges with and into the Borrower. Subsection 8.7(a) will not apply to (i) any transaction in which any Restricted Subsidiary consolidates with, merges into or transfers all or part of its assets to the Borrower or (ii) the Transactions.

8.8 Change of Control; Limitation on Amendments. The Borrower shall not and shall not permit any of its Restricted Subsidiaries to, directly or indirectly:

(a) In the event of the occurrence of a Change of Control, repurchase or repay any Indebtedness then outstanding pursuant to any Junior Debt or any portion thereof, unless the Borrower shall have, at its option, (i) made payment in full of the Loans and any other amounts then due and owing to any Lender or the Administrative Agent hereunder and under any Note or (ii) made an offer (a "Change of Control Offer") to pay the Term Loans and any amounts then due and owing to each Lender and the Administrative Agent hereunder and under any Note and shall have made payment in full thereof to each such Lender or the Administrative Agent which has accepted such offer. Upon the Borrower making payment in full of the Loans as provided in clause (i) of this Subsection 8.8(a), or making a Change of Control Offer in accordance with clause (ii) of this Subsection 8.8(a) (whether or not in connection with any repayment or repurchase of Indebtedness outstanding pursuant to Junior Debt), any Event of Default arising under Subsection 9.1(k) by reason of such Change of Control shall be deemed not to have occurred or be continuing.

(b) If an Event of Default under Subsection 9.1(a) or (f) is continuing, amend, supplement, waive or otherwise modify any of the provisions of any indenture, instrument or agreement evidencing Subordinated Obligations or Guarantor Subordinated Obligations in a manner that (i) changes the subordination provisions of such Indebtedness in a manner that is materially adverse to the Lenders or (ii) shortens the maturity date of such Indebtedness to a date that is prior to the Initial Term Loan Maturity Date or provides for a shorter weighted average life to maturity than the remaining weighted average life to maturity of the Initial Term Loans; provided that, notwithstanding the foregoing, the provisions of this Subsection 8.8(b) shall not restrict or prohibit any refinancing of Indebtedness (in whole or in part) permitted pursuant to Subsection 8.1.

(c) Amend, supplement, waive or otherwise modify the terms of any Permitted Debt Exchange Notes, any Additional Obligations incurred pursuant to Subsection 8.1(b)(i) or any Refinancing Indebtedness in respect of the foregoing or any indenture or agreement pursuant to which such Permitted Debt Exchange Notes, Additional Obligations or Refinancing Indebtedness have been issued or incurred in any manner inconsistent with the requirements of the definition of "Refinancing Indebtedness", assuming for purposes of this Subsection 8.8(c) that such amendment, supplement, waiver or modification, *mutatis mutandis*, is a refinancing of such Additional Obligations, Permitted Debt Exchange Notes or Refinancing Indebtedness, as applicable.

8.9 Limitation on Lines of Business. The Borrower shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into any business, either directly or through any Restricted Subsidiary, except for those businesses of the same general type as those in which the Borrower and its Restricted Subsidiaries are engaged in on the Closing Date or which are reasonably related thereto and any business related thereto.

SECTION 9

Events of Default

9.1 Events of Default. Any of the following from and after the Closing Date shall constitute an event of default:

(a) The Borrower shall fail to pay any principal of any Loan when due in accordance with the terms hereof (whether at stated maturity, by mandatory prepayment or otherwise); or the Borrower shall fail to pay any interest on any Loan or any other amount payable hereunder, within five Business Days after any such interest or other amount becomes due in accordance with the terms hereof, provided that any non-payment of principal, interest or other amounts resulting from the Borrower's good faith payment of an invoice received from the Administrative Agent shall not constitute an Event of Default; or

(b) Any representation or warranty made or deemed made by any Loan Party herein or in any other Loan Document (or in any amendment, modification or supplement hereto or thereto) or which is contained in any certificate furnished at any time by or on behalf of any Loan Party pursuant to this Agreement or any such other Loan Document shall prove to have been incorrect in any material respect on or as of the date made or deemed made, and for the failure of any representation or warranty that is capable of being cured (as determined in good faith by the Borrower, which determination shall be conclusive), such default shall continue unremedied for a period of 30 days after the earlier of (A) the date on which a Responsible Officer of the Borrower becomes aware of such failure and (B) the date on which written notice thereof shall have been given to the Borrower by the Administrative Agent or the Required Lenders; provided that the failure of any representation or warranty (other than the representations and warranties referenced in Subsection 6.1(o)(ii), and the representation contained in the Officer's Certificate delivered pursuant to Subsection 6.1(f) with respect to the satisfaction of the condition set forth in Subsection 6.1(o)(i)) to be true and correct on the Closing Date will not constitute an Event of Default hereunder or under any other Loan Document, including for the purposes of exercising any remedy under Subsection 9.2 of this Agreement or for the purpose of determining any right to exercise enforcement rights under any Loan Document; or

(c) Any Loan Party shall default in the payment, observance or performance of any term, covenant or agreement contained in Section 8; or

(d) Any Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in clauses (a) through (c) or clause (k) of this Subsection 9.1), and such default shall continue unremedied for a period of, in the case of a default with respect to failure to deliver financial statements under Subsection 7.1 or related certificates under Subsection 7.2, 180 days, and in the case of any other default, 30 days, in each case after the earlier of (A) the date on which a Responsible Officer of the Borrower becomes aware of such failure and (B) the date on which written notice thereof shall have been given to the Borrower by the Administrative Agent or the Required Lenders; or

(e) Any Loan Party or any of its Restricted Subsidiaries shall (i) default in (x) any payment of principal of or interest on any Indebtedness (excluding Indebtedness hereunder and Indebtedness owed to the Borrower or any other Loan Party) in excess of the greater of \$100,000,000 and 6.50% of Consolidated Tangible Assets or (y) in the payment of any Guarantee Obligation in respect of Indebtedness in excess of the greater of \$100,000,000 and 6.50% of Consolidated Tangible Assets, beyond the period of grace, if any,

provided in the instrument or agreement under which such Indebtedness or Guarantee Obligation was created; (ii) default in the observance or performance of any other agreement or condition relating to any Indebtedness (excluding Indebtedness hereunder and any Indebtedness owed to the Borrower or any other Loan Party) or Guarantee Obligation referred to in clause (i) above or contained in any instrument or agreement evidencing, securing or relating thereto (other than a failure to provide notice of a default or an event of default under such instrument or agreement or default in the observance of or compliance with any financial maintenance covenant or any representation or warranty related to such financial maintenance covenant), or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Guarantee Obligation (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice or lapse of time if required, such Indebtedness to become due prior to its stated maturity or such Guarantee Obligation to become payable (an "Acceleration"; and the term "Accelerated" shall have a correlative meaning), and such time shall have lapsed and, if any notice (a "Default Notice") shall be required to commence a grace period or declare the occurrence of an event of default before notice of Acceleration may be delivered, such Default Notice shall have been given and (in the case of the preceding clause (i) or (ii)) such default, event or condition shall not have been remedied or waived by or on behalf of the holder or holders of such Indebtedness or Guarantee Obligation (provided that the preceding clause (ii) shall not apply to (x) secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder or (y) any termination event or similar event pursuant to the terms of any Hedge Agreement); or (iii) in the case of any Indebtedness or Guarantee Obligations referred to in clause (i) above containing or otherwise requiring observance or compliance with any financial maintenance covenant, default in the observance of or compliance with such financial maintenance covenant or any representation or warranty related to such financial maintenance covenant such that such Indebtedness or Guarantee Obligation shall have been Accelerated and such Acceleration shall not have been rescinded; or

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(f) If (i) the Borrower or any Material Subsidiary of the Borrower shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts (excluding, in each case, the solvent liquidation or reorganization of any Foreign Subsidiary of the Borrower that is not a Loan Party), or (B) seeking appointment of a receiver, interim receiver, receivers, receiver and manager, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or the Borrower or any Material Subsidiary of the Borrower shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Borrower or any Material Subsidiary of the Borrower any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged, unstayed or unbonded for a period of 90 days; or (iii) there shall be commenced against the Borrower or any Material Subsidiary of the Borrower any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed or bonded pending appeal within 90 days from the entry thereof; or (iv) the Borrower or any Material Subsidiary of the Borrower shall take any corporate or other similar organizational action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the Borrower or any Material Subsidiary of the Borrower shall be generally unable to, or shall admit in writing its general inability to, pay its debts as they become due; or

(g) (i) Any Person shall engage in any "prohibited transaction" (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) any failure to satisfy the minimum funding standard (within the meaning of Section 412 of the Code or Section 302 of ERISA), whether or not waived, shall exist with respect to any Plan or any Lien in favor of the PBGC or a Plan shall arise on the assets of either of the Borrower or any Commonly Controlled Entity, (iii) a Reportable Event shall occur with respect to, or

proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Single Employer Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is in the reasonable opinion of the Administrative Agent likely to result in the termination of such Plan for purposes of Title IV of ERISA, (iv) any Single Employer Plan shall terminate for purposes of Title IV of ERISA other than a standard termination pursuant to Section 4041(b) of ERISA, (v) either of the Borrower or any Commonly Controlled Entity shall, or in the reasonable opinion of the Administrative Agent is reasonably likely to, incur any liability in connection with a withdrawal from, or the Insolvency of, a Multiemployer Plan, or (vi) any other event or condition shall occur or exist with respect to a Plan; and in each case in clauses (i) through (vi) above, such event or condition, together with all other such events or conditions, if any, would be reasonably expected to result in a Material Adverse Effect; or

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(h) One or more judgments or decrees shall be entered against the Borrower or any of its Restricted Subsidiaries involving in the aggregate at any time a liability (net of any insurance or indemnity payments actually received in respect thereof prior to or within 90 days from the entry thereof, or to be received in respect thereof in the event of any appeal thereof shall be unsuccessful, or that the Borrower has determined there exists reasonable evidence that such amount will be reimbursed by the insurer or indemnifying party and such amount is not denied by the applicable insurer or indemnifying party in writing within 180 days and is reimbursed within 365 days of the date of such evidence) of the greater of \$100,000,000 and 6.50% of Consolidated Tangible Assets or more, and all such judgments or decrees shall not have been vacated, discharged, satisfied, stayed or bonded pending appeal within 90 days from the entry thereof); or

(i) (i) The Guarantee and Collateral Agreement shall, or any other Security Document covering a significant portion of the Collateral shall (at any time after its execution, delivery and effectiveness) cease for any reason to be in full force and effect (other than pursuant to the terms hereof or thereof), or any Loan Party which is a party to any such Security Document shall so assert in writing or (ii) the Lien created by any of the Security Documents shall cease to be perfected and enforceable in accordance with its terms or of the same effect as to perfection and priority purported to be created thereby with respect to any significant portion of the Term Loan Priority Collateral (or, after the Discharge of ABL Collateral Obligations, the Collateral) (other than in connection with any termination of such Lien in respect of any Collateral as permitted hereby or by any Security Document) and such failure of such Lien to be perfected and enforceable with such priority shall have continued unremedied for a period of 20 days (provided that if the failure of such Lien to be perfected and enforceable results from the failure of the Administrative Agent or Collateral Agent, as applicable, to maintain possession of any certificates or documents actually delivered to them representing securities or negotiable instruments pledged under the Collateral Documents, such 20 day grace period shall not commence until the Borrower becomes aware of the failure of such Lien to be perfected and enforceable); or

(j) Any Loan Party shall assert in writing that the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement (after execution and delivery thereof) or any Other Intercreditor Agreement (after execution and delivery thereof) shall have ceased for any reason to be in full force and effect (other than pursuant to the terms hereof or thereof) or shall knowingly contest, or knowingly support any other Person in any action that seeks to contest, the validity or effectiveness of any such intercreditor agreement (other than pursuant to the terms hereof or thereof); or

(k) Subject to the Borrower's option to make a payment in full of all of the Loans, or to make a Change of Control Offer, each in accordance with Subsection 8.8(a) (whether or not in connection with any repayment or repurchase of Indebtedness outstanding pursuant to any Junior Debt), a Change of Control shall have occurred.

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9.2 Remedies Upon an Event of Default. (a) If any Event of Default occurs and is continuing, then, and in any such event, (A) if such event is an Event of Default specified in clause (i) or (ii) of Subsection 9.1(f) with respect to the Borrower, automatically the Commitments, if any, shall immediately terminate and the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement shall immediately become due and payable, and (B) if such event is any other Event of Default, with the consent of the Required

Lenders, the Administrative Agent may, or upon the request of the Required Lenders the Administrative Agent shall, by notice to the Borrower, declare the Commitments to be terminated forthwith, whereupon the Commitments, if any, shall immediately terminate, and/or declare the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement to be due and payable forthwith, whereupon the same shall immediately become due and payable.

(b) Except as expressly provided above in this Section 9, to the maximum extent permitted by applicable law, presentment, demand, protest and all other notices of any kind are hereby expressly waived.

(c) Notwithstanding anything to the contrary, neither the Administrative Agent nor any Lender may deliver notice of, or otherwise consent, take action or direct or require the Administrative Agent or any Lender to undertake any action in respect of, any Default or Event of Default with respect to any action taken, and reported publicly pursuant to a press release, a filing with the SEC or a posting to the Platform or otherwise reported to Lenders, more than two years prior to such notice of, consent, action or direction or requirement to undertake action in respect of, Default or Event of Default, and such notice, consent, action or direction or requirement to undertake action shall be invalid and have no effect.

SECTION 10

The Agents and the Other Representatives

10.1 Appointment. (a) Each Lender hereby irrevocably designates and appoints the Agents as the agents of such Lender under this Agreement and the other Loan Documents, and each such Lender irrevocably authorizes each Agent, in such capacity, to take such action 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 expressly delegated to or required of such Agent by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Agents and the Other Representatives shall not have any duties or responsibilities, except, in the case of the Administrative Agent and the Collateral Agent, those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against any Agent or the Other Representatives.

(b) Each of the Agents may perform any of their respective duties under this Agreement, the other Loan Documents and any other instruments and agreements referred to herein or therein by or through its respective officers, directors, agents, employees or affiliates, or delegate any and all such rights and powers to, any one or more sub-agents appointed by such Agent (it being understood and agreed, for avoidance of doubt and without limiting the generality of the foregoing, that the Administrative Agent and the Collateral Agent may perform any of their respective duties under the Security Documents by or through one or more of their respective affiliates). 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 Related Parties. The exculpatory provisions of this Section 10 shall apply to any such sub-agent and to the Related Parties 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.

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(c) Except for Subsections 10.5, 10.8(a), (b), (c), (e) and (g), (to the extent of the Borrower's rights thereunder and the conditions included therein) 10.9 and 10.15, the provisions of this Section 10 are solely for the benefit of the Agents and the Lenders, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions.

10.2 The Administrative Agent and Affiliates. 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 each person serving as an Agent hereunder in its individual capacity. Such

person and its affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Holding Company, the Borrower or any Subsidiary or other Affiliate thereof as if such person were not an Agent hereunder and without any duty to account therefor to the Lenders.

10.3 Action by an Agent. In performing its functions and duties under this Agreement, (a) each Agent shall act solely as an agent for the Lenders and, as applicable, the other Secured Parties, and (b) no Agent assumes any (and shall not be deemed to have assumed any) relationship of agency or trust with or for the Borrower or any of its Subsidiaries. Each Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact (including the Collateral Agent in the case of the Administrative Agent), and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact or counsel selected by it with reasonable care.

10.4 Exculpatory Provisions. (a) No Agent shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, no Agent:

(i) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that such Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that such Agent shall not be required to take any action that, in its judgment or the judgment of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable Requirement of Law; and

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(iii) shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower 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.

(b) No Agent shall be liable for any action taken or not taken by it (x) 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 such Agent shall believe in good faith shall be necessary, under the circumstances as provided in Subsection 9.2 or Subsection 11.1, as applicable) or (y) in the absence of its own bad faith, gross negligence or willful misconduct. No Agent shall be deemed to have knowledge of any Default unless and until written notice describing such Default is given to such Agent by the Borrower or a Lender.

(c) 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 this Agreement or any other Loan Document, (ii) the contents of any certificate, report, statement, agreement 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 herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or the creation, perfection or priority of any Lien purported to be created by the Security Documents or (v) the satisfaction of any condition set forth in Section 6 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent. 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 as used merely as a matter of market custom and is intended to create or reflect only an administrative relationship between independent contracting parties.

(d) Each party to this Agreement acknowledges and agrees that the Administrative Agent may use an outside service provider for the tracking of all UCC financing statements required to be filed pursuant to the Loan Documents and notification to the Administrative Agent, of, among other things, the upcoming lapse or expiration thereof, and that any such service provider 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.

10.5 Acknowledgement and Representations by Lenders. (a) Each Lender expressly acknowledges that none of the Agents or the Other Representatives nor any of their officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by any Agent or any Other Representative hereafter taken, including any review of the affairs of the Borrower or any other Loan Party, shall be deemed to constitute any representation or warranty by such Agent or such Other Representative to any Lender. Each Lender further represents and warrants to the Agents, the Other Representatives and each of the Loan Parties that it has had the opportunity to review the Confidential Information Memorandum 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. Each Lender represents to the Agents, the Other Representatives and each of the Loan Parties that, independently and without reliance upon any Agent, the Other Representatives or any other Lender, and based on such documents and information as it has deemed appropriate, it has made and will make, its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of any Holding Company and the Borrower and the other Loan Parties, it has made its own decision to make its Loans hereunder and enter into this Agreement and it will make its own decisions in taking or not taking any action under this Agreement and the other Loan Documents and, except as expressly provided in this Agreement, neither the Agents nor any Other Representative shall have any duty or responsibility, either initially or on a continuing basis, to provide any Lender or the holder of any Note with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter. Each Lender (other than, in the case of clause (i), an Affiliated Lender, any Parent Entity (other than any Holding Company) or any Unrestricted Subsidiary) represents to each other party hereto that (i) it is a bank, savings and loan association or other similar savings institution, insurance company, investment fund or company or other financial institution which makes or acquires commercial loans in the ordinary course of its business and that it is participating hereunder as a Lender for such commercial purposes and (ii) it has the knowledge and experience to be and is capable of evaluating the merits and risks of being a Lender hereunder. Each Lender acknowledges and agrees to comply with the provisions of Subsection 11.6 applicable to the Lenders hereunder.

(b)

(i) Each Lender hereby agrees that (x) if the Administrative Agent promptly notifies in writing (which may be by e-mail) such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender (whether or not known to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than one Business Day after receipt of such notice, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, 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 Payments received, including without limitation any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Lender under this Subsection 10.5(b) shall be conclusive, absent manifest error.

(ii) Each Lender hereby further agree that if it receives a Payment 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 sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "Payment Notice") or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error may have been made with respect to such Payment. Each Lender agrees that, in each such case, if it otherwise becomes actually aware a Payment (or portion thereof) has been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon prompt written demand from the Administrative Agent (which may be by e-mail), such Lender shall promptly, but in no event later than one Business Day after receipt of such demand from Administrative Agent, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(iii) The Borrower and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) are not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) 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 of the Borrower or any other Loan Party.

(iv) Each party's obligations under this Subsection 10.5(b) shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

10.6 Indemnity; Reimbursement by Lenders. (a) To the extent that the Borrower or any other Loan Party for any reason fails to indefeasibly pay any amount required under Subsection 11.5 to be paid by it to the Administrative Agent (or any sub-agent thereof), or the Collateral Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay ratably according to their respective Term Credit Percentages on the date on which the applicable unreimbursed expense or indemnity payment is sought under this Subsection 10.6 such unpaid amount (such 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 expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the Collateral Agent (or any sub-agent thereof) or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), the Collateral Agent (or any sub-agent thereof). The obligations of the Lenders under this Subsection 10.6 are subject to the provisions of Subsection 4.8.

(b) Any Agent shall be fully justified in failing or refusing to take any action hereunder and under any other Loan Document (except actions expressly required to be taken by it hereunder or under the Loan Documents) unless it shall first be indemnified to its satisfaction by the Lenders pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

(c) All amounts due under this Subsection 10.6 shall be payable not later than three Business Days after demand therefor. The agreements in this Subsection 10.6 shall survive the payment of the Loans and all other amounts payable hereunder.

10.7 Right to Request and Act on Instructions. (a) Each Agent may at any time request instructions from the Lenders with respect to any actions or approvals which by the terms of this Agreement or of any of the Loan Documents an Agent is permitted or desires to take or to grant, and if such instructions are promptly

requested, the requesting Agent shall be absolutely entitled as between itself and the Lenders to refrain from taking any action or to withhold any approval and shall not be under any liability whatsoever to any Lender for refraining from any action or withholding any approval under any of the Loan Documents until it shall have received such instructions from Required Lenders or all or such other portion of the Lenders as shall be prescribed by this Agreement. Without limiting the foregoing, no Lender shall have any right of action whatsoever against any Agent as a result of an Agent acting or refraining from acting under this Agreement or any of the other Loan Documents in accordance with the instructions of the Required Lenders (or all or such other portion of the Lenders as shall be prescribed by this Agreement) and, notwithstanding the instructions of the Required Lenders (or such other applicable portion of the Lenders), an Agent shall have no obligation to any Lender to take any action if it believes, in good faith, that such action would violate applicable law or exposes an Agent to any liability for which it has not received satisfactory indemnification in accordance with the provisions of Subsection 10.6.

(b) 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 the proper person. Each Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. Each Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall be entitled to rely upon the advice of any such counsel, accountants or experts and shall not be liable for any action taken or not taken by it in accordance with such advice.

10.8 Collateral Matters. (a) Each Lender authorizes and directs the Administrative Agent and the Collateral Agent to enter into (x) the Security Documents, the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement and any Other Intercreditor Agreement for the benefit of the Lenders and the other Secured Parties, (y) any amendments, amendments and restatements, restatements or waivers of or supplements to or other modifications to the Security Documents, the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement and any Other Intercreditor Agreement or other intercreditor agreements in connection with the incurrence by any Loan Party or any Subsidiary thereof of Additional Indebtedness (each an “Intercreditor Agreement Supplement”) to permit such Additional Indebtedness to be secured by a valid, perfected lien (with such priority as may be designated by the Borrower or relevant Subsidiary, to the extent such priority is permitted by the Loan Documents) and (z) any Incremental Commitment Amendment as provided in Subsection 2.8 together with any escrow agreement entered into in connection therewith, any Increase Supplement as provided in Subsection 2.8, any Lender Joinder Agreement as provided in Subsection 2.8, any agreement required in connection with a Permitted Debt Exchange Offer pursuant to Subsection 2.9, any Extension Amendment as provided in Subsection 2.10, any Specified Refinancing Amendment as provided in Subsection 2.11, any agreement required in connection with a loan modification offer pursuant to Subsection 11.1(h) and any agreement required in connection with a Repricing Transaction pursuant to Subsection 11.1(i). Each Lender hereby agrees, and each holder of any Note by the acceptance thereof will be deemed to agree, that, except as otherwise set forth herein, any action taken by the Administrative Agent, Collateral Agent or the Required Lenders in accordance with the provisions of this Agreement, the Security Documents, the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement, any Other Intercreditor Agreement, any Intercreditor Agreement Supplement, any Incremental Commitment Amendment and any escrow agreement entered into in connection therewith, any Increase Supplement, any Lender Joinder Agreement or any agreement required in connection with a Permitted Debt Exchange Offer, loan modification offer pursuant to Subsection 11.1(h) or Repricing Transaction pursuant to Subsection 11.1(i) or any Extension Amendment or any Specified Refinancing Amendment and the exercise by the Agents or the Required Lenders of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders. Each Lender appoints and authorizes the Collateral Agent to act as the agent of such Lender under this Agreement and the other Loan Documents (and, in its capacity as Collateral Agent, to hold the benefit of any security interest created by the

Security Documents and/or any asset and proceeds of any asset paid to, held by or received or recovered by it under or in connection with the Loan Documents on trust for itself and the other Lenders according to its and their respective interests and upon the terms and conditions set out in the relevant Loan Documents). The Collateral Agent is hereby authorized on behalf of all of the Lenders, without the necessity of any notice to or further consent from any Lender, from time to time, to take any action with respect to any applicable Collateral or Security Documents which may be necessary to perfect and maintain perfected the security interest in and liens upon the Collateral granted pursuant to the Security Documents. Each Lender agrees that it will not have any right individually to enforce or seek to enforce any Security Document or to realize upon any Collateral for the Loans unless instructed to do so by the Collateral Agent, it being understood and agreed that such rights and remedies may be exercised only by the Collateral Agent. Notwithstanding the foregoing, each Lender expressly and irrevocably waives any right to take or institute any actions or proceedings, judicial or otherwise, for any right or remedy or assert any other cause of action against any Loan Party (including the exercise of any right of set-off, rights on account of any banker's lien or similar claim or other rights of self-help), or institute any actions or proceedings or any other cause of action, or otherwise commence any remedial procedures, in each case in its capacity as a Lender, against any Holding Company, the Borrower and/or any of their respective Subsidiaries or any Parent Entity or IPO Vehicle with respect to any Collateral or any other property of any such Person, without the prior written consent of the Administrative Agent and the Required Lenders (which shall not be withheld in contravention of this [Section 10](#)); provided, that, for the avoidance of doubt, this provision may be enforced against any Lender by the Required Lenders, the Agents or the Borrower (or any of its Affiliates) and each Lender and the Agents expressly acknowledge that this provision shall be available as a defense of the Borrower (or any of its Affiliates) in any action, proceeding, cause of action or remedial procedure. The Collateral Agent may grant extensions of time for the creation and perfection of security interests in or the obtaining of title insurance, legal opinions or other deliverables with respect to particular assets or the provision of any guarantee by any Subsidiary (including extensions beyond the Closing Date or in connection with assets acquired, or Subsidiaries formed or acquired, after the Closing Date) where it determines that such action cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required to be accomplished by this Agreement or the Security Documents.

(b) The Lenders hereby authorize each Agent, in each case at its option and in its discretion, (A) to release any Lien granted to or held by such Agent upon any Collateral (i) upon termination of the Commitments and payment and satisfaction of all of the Term Loan Facility Obligations under the Loan Documents at any time arising under or in respect of this Agreement or the Loan Documents or the transactions contemplated hereby or thereby that are then due and unpaid, (ii) constituting property being sold or otherwise disposed of (to Persons other than the Borrower or a Subsidiary Guarantor) upon the sale or other disposition thereof, (iii) owned by any Subsidiary Guarantor that is or becomes an Excluded Subsidiary, is released from its Term Loan Facility Obligations pursuant to [Subsection 7.9\(b\)](#) or ceases to be a Restricted Subsidiary of the Borrower, or constituting Capital Stock or other equity interests of an Excluded Subsidiary (other than Capital Stock of a Foreign Subsidiary or a Subsidiary described in clause (d) of the definition of "Excluded Subsidiary" if and to the extent it is required to be pledged as Collateral pursuant to any applicable Security Document), (iv) if approved, authorized or ratified in writing by the Required Lenders (or such greater amount, to the extent required by [Subsection 11.1](#)) or (v) as otherwise may be expressly provided in the relevant Security Documents, (B) to enter into any intercreditor agreement (including the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement and any Other Intercreditor Agreement) on behalf of, and binding with respect to, the Lenders and their interest in designated assets, to give effect to any Special Purpose Financing, including to clarify the respective rights of all parties in and to designated assets, (C) at the written request of the Borrower to subordinate any Lien (or to confirm the absence of any Lien) on any Excluded Assets or any other property granted to or held by such Agent, as the case may be under any Loan Document to the holder of any Permitted Lien (other than Permitted Liens securing the Obligations under the Loan Documents or that are required by the express terms of this Agreement to be *pari passu* with or junior to the Liens on the Collateral securing the Term Loan Facility Obligations pursuant to the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement or an Other Intercreditor Agreement), (D) to release any Subsidiary Guarantor from its Term Loan Facility Obligations under any Loan Documents to which it is a party if such Person ceases to be a Restricted Subsidiary of the Borrower, is released

from its Term Loan Facility Obligations pursuant to Subsection 7.9(b) or is or becomes an Excluded Subsidiary and (E) to release any Lien granted to or held by such Agent upon any ABL Priority Collateral to the extent required pursuant to the terms of the ABL/Term Loan Intercreditor Agreement or any Other Intercreditor Agreement. Upon request by any Agent, at any time, the Required Lenders or all or such other portion of the Lenders as shall be prescribed by this Agreement will confirm in writing any Agent's authority to release particular types or items of Collateral pursuant to this Subsection 10.8.

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(c) The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as the case may be, in each case at its option and in its discretion, to enter into any amendment, amendment and restatement, restatement, waiver, supplement or modification, and to make or consent to any filings or to take any other actions, in each case as contemplated by Subsection 11.17. Upon request by any Agent, at any time, the Required Lenders will confirm in writing the Administrative Agent's and the Collateral Agent's authority under this Subsection 10.8(c).

(d) No Agent shall have any obligation whatsoever to the Lenders to assure that the Collateral exists or is owned by any Holding Company, the Borrower or any of its Restricted Subsidiaries or is cared for, protected or insured or that the Liens granted to any Agent herein or pursuant hereto have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to the Agents in this Subsection 10.8 or in any of the Security Documents, it being understood and agreed by the Lenders that in respect of the Collateral, or any act, omission or event related thereto, each Agent may act in any manner it may deem appropriate, in its sole discretion, given such Agent's own interest in the Collateral as a Lender and that no Agent shall have any duty or liability whatsoever to the Lenders, except for its gross negligence or willful misconduct.

(e) Notwithstanding any provision herein to the contrary, any Security Document may be amended (or amended and restated), restated, waived, supplemented or modified as contemplated by and in accordance with either Subsection 11.1 or 11.17, as applicable, with the written consent of the Agent party thereto and the Loan Party party thereto.

(f) The Collateral Agent may, and hereby does, appoint the Administrative Agent as its agent for the purposes of holding any Collateral and/or perfecting the Collateral Agent's security interest therein and for the purpose of taking such other action with respect to the collateral as such Agents may from time to time agree.

(g) Notwithstanding the foregoing, each Lender expressly and irrevocably agrees that it will not hinder, or direct the Agents to take any action that will hinder, the automatic release of any security interest, Lien or Guarantee provided for by this Subsection 10.8 to the extent the Borrower determines in good faith that the applicable transaction is permitted under this Agreement (including, without limitation, in connection with any disposition to Persons other than a Borrower or a Subsidiary Guarantor permitted under this Agreement), including, without limitation, any refusal to release security interests, Liens or Guarantees, return possessory collateral, execute and/or file release documentation or take any other reasonably requested actions to document or effectuate the release of such security interests, Liens or Guarantees, in each case, at the Borrower's sole cost and expense, and each Lender expressly and irrevocably agrees that the Agents shall be authorized to, and shall, take any necessary action to release any such security interest, Lien or Guarantee to the extent authorized to do so by this Subsection 10.8 without any obligation or requirement to notify or obtain consent from any Lender unless required by Subsection 11.1(a)(iii) (and the Agents shall not condition any such actions on providing notice to, or obtaining consent from, the Lenders unless required by Subsection 11.1(a)(iii)).

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10.9 Successor Agent. Subject to the appointment of a successor as set forth herein, (i) the Administrative Agent or the Collateral Agent may be removed by the Borrower or the Required Lenders if the Administrative Agent, the Collateral Agent, or a controlling affiliate of the Administrative Agent or the Collateral Agent is a Defaulting Lender and (ii) the Administrative Agent and the Collateral Agent may resign as Administrative Agent or Collateral Agent, respectively, in each case upon ten days' notice to the Administrative Agent, the Lenders and the Borrower, as applicable. If the Administrative Agent or the Collateral Agent shall be

removed by the Borrower or the Required Lenders pursuant to clause (i) above or if the Administrative Agent or the Collateral Agent shall resign as Administrative Agent or Collateral Agent, as applicable, under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which such successor agent shall be subject to approval by the Borrower; provided that such approval by the Borrower in connection with the appointment of any successor Administrative Agent shall only be required so long as no Event of Default under Subsection 9.1(a) or (f) has occurred and is continuing; provided further, that the Borrower shall not unreasonably withhold its approval of any successor Administrative Agent if such successor is an Approved Commercial Bank. Upon the successful appointment of a successor agent, such successor agent shall succeed to the rights, powers and duties of the Administrative Agent or the Collateral Agent, as applicable, and the term “Administrative Agent” or “Collateral Agent”, as applicable, shall mean such successor agent effective upon such appointment and approval, and the former Agent's rights, powers and duties as Administrative Agent or Collateral Agent, as applicable, shall be terminated, without any other or further act or deed on the part of such former Agent or any of the parties to this Agreement or any holders of the Loans. After any retiring Agent's resignation or removal as Agent, the provisions of this Section 10 (including this Subsection 10.9) shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement and the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor.

10.10 [Reserved].

10.11 Withholding Tax. To the extent required by any applicable law, each Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding tax, and in no event shall such Agent be required to be responsible for or pay any additional amount with respect to any such withholding. If the Internal Revenue Service or any other Governmental Authority asserts a claim that any 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 such Agent of a change in circumstances which rendered the exemption from or reduction of withholding tax ineffective or for any other reason, without limiting the provisions of Subsection 4.11(a) or 4.12, such Lender shall indemnify such Agent fully for all amounts paid, directly or indirectly, by such Agent as tax or otherwise, including any penalties or interest and together with any expenses incurred and shall make payable in respect thereof within 30 days after demand therefor. 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 or such issuing lender under this Agreement or any other Loan Document against any amount due the Administrative Agent under this Subsection 10.11. The agreements in this Subsection 10.11 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender and the repayment, satisfaction or discharge of all other Term Loan Facility Obligations.

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10.12 Other Representatives. None of the entities identified as joint bookrunners and joint lead arrangers pursuant to the definition of Other Representative contained herein, shall have any duties or responsibilities hereunder or under any other Loan Document in its capacity as such. Without limiting the foregoing, no Other Representative shall have nor be deemed to have a fiduciary relationship with any Lender. At any time that any Lender serving as an Other Representative shall have transferred to any other Person (other than any of its affiliates) all of its interests in the Loans and in the Commitments, such Lender shall be deemed to have concurrently resigned as such Other Representative.

10.13 Administrative Agent May File Proofs of Claim. In case of the pendency of any Bankruptcy Proceeding or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) is hereby authorized by the Lenders, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as

may be necessary or advisable in order to have the claims of the Lenders, and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Subsections 4.5 and 11.5) allowed in such judicial proceeding;

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, if 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 Subsections 4.5 and 11.5.

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10.14 Application of Proceeds. The Lenders, the Administrative Agent and the Collateral Agent agree, as among such parties, as follows: subject to the terms of the ABL/Term Loan Intercreditor Agreement, a Junior Lien Intercreditor Agreement, any Other Intercreditor Agreement or any Intercreditor Agreement Supplement, after the occurrence and during the continuance of an Event of Default, all amounts collected or received by the Administrative Agent, the Collateral Agent or any Lender on account of amounts then due and outstanding under any of the Loan Documents (the "Collection Amounts") shall, except as otherwise expressly provided herein, be applied as follows: first, to pay all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees to the extent provided herein) due and owing hereunder of the Administrative Agent and the Collateral Agent in connection with enforcing the rights of the Agents and the Lenders under the Loan Documents (including all expenses of sale or other realization of or in respect of the Collateral and any sums advanced to the Collateral Agent or to preserve its security interest in the Collateral), second, to pay all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees to the extent provided herein) due and owing hereunder of each of the Lenders in connection with enforcing such Lender's rights under the Loan Documents, third, to pay interest on Loans then outstanding; fourth, to pay principal of Loans then outstanding and obligations under Interest Rate Agreements, Currency Agreements, Commodities Agreements, Bank Products Agreements and Management Guarantees permitted hereunder and secured by the Guarantee and Collateral Agreement, ratably among the applicable Secured Parties in proportion to the respective amounts described in this clause "fourth" payable to them, and fifth, to pay the surplus, if any, to whomever may be lawfully entitled to receive such surplus. To the extent any amounts available for distribution pursuant to clause "third" or "fourth" above are insufficient to pay all obligations described therein in full, such moneys shall be allocated pro rata among the applicable Secured Parties in proportion to the respective amounts described in the applicable clause at such time. This Subsection 10.14 may be amended (and the Lenders hereby irrevocably authorize the Administrative Agent to enter into any such amendment) to the extent necessary to reflect differing amounts payable, and priorities of payments, to Lenders participating in any new classes or tranches of loans added pursuant to Subsections 2.8, 2.10 and 2.11, as applicable.

Notwithstanding the foregoing, Excluded Obligations (as defined in the Guarantee and Collateral Agreement) with respect to any Guarantor shall not be paid with amounts received from such Guarantor or its assets and such Excluded Obligations shall be disregarded in any application of Collection Amounts pursuant to the preceding paragraph.

10.15 Certain ERISA Matters. (a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement;

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) subclause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with subclause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

SECTION 11

Miscellaneous

11.1 Amendments and Waivers. (a) Neither this Agreement nor any other Loan Document, nor any terms hereof or thereof, may be amended, supplemented, modified or waived except in accordance with the provisions of this Subsection 11.1. The Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent may, from time to time, (x) enter into with the respective Loan Parties hereto or thereto, as the case may be, written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or to the other Loan Documents or changing, in any manner the rights or obligations of the Lenders or the Loan Parties hereunder or thereunder or (y) waive at any Loan Party's request, on such terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that amendments, supplements, modifications or waivers pursuant to Subsections 11.1(d), (f), (h) and (i) may be effected without the consent of the Required Lenders to the extent provided therein; provided, further, that no such waiver and no such amendment, supplement or modification shall:

(i) (A) reduce or forgive the amount or extend the scheduled date of maturity of any Loan or of any scheduled installment thereof (including extending any Maturity Date), (B) reduce the stated rate of any interest, commission or fee payable hereunder (other than as a result of any waiver of the applicability of any

post-default increase in interest rates), (C) [reserved], (D) increase the Commitment of such Lender (other than with respect to any Commitment increase pursuant to Subsection 2.8 in respect of which such Lender has agreed to be an Incremental Lender that such Lender has agreed to provide as a Specified Refinancing Lender pursuant to a Specified Refinancing Amendment entered into pursuant to Subsection 2.11); it being understood that no amendment, modification or waiver of, or consent to departure from, any condition precedent, representation, warranty, covenant, Default, Event of Default, mandatory prepayment or mandatory reduction of the Commitments shall constitute an increase of any Commitment of such Lender or (E) change the currency in which any Loan is payable, in each case without the consent of each Lender directly and adversely affected thereby (it being understood that amendments or supplements to, or waivers or modifications of any conditions precedent, representations, warranties, covenants, Defaults or Events of Default or of a mandatory repayment of the Loans of all Lenders shall not constitute an extension of the scheduled date of maturity, any scheduled installment, or the scheduled date of payment of the Loans of any Lender);

(ii) amend, modify or waive any provision of this Subsection 11.1(a), or reduce the percentage specified in the definition of "Required Lenders", or consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents (other than pursuant to Subsection 8.7 or 11.6(a)), in each case without the written consent of all the Lenders;

(iii) release Guarantors accounting for all or substantially all of the value of the Guarantee of the Term Loan Facility Obligations pursuant to the Guarantee and Collateral Agreement, or, in the aggregate (in a single transaction or a series of related transactions), all or substantially all of the Collateral without the consent of all of the Lenders, except as expressly permitted hereby or by any Security Document (as such documents are in effect on the Closing Date or, if later, the date of execution and delivery thereof in accordance with the terms hereof);

(iv) require any Lender to make Loans having an Interest Period of longer than six months or shorter than one month without the consent of such Lender;

(v) amend, modify or waive any provision of Section 10 without the written consent of the then Agents;
or

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(vi) amend, modify or waive any provision of Subsection 10.1(a), 10.4 or 10.12 without the written consent of any Other Representative directly and adversely affected thereby;

provided further that, notwithstanding and in addition to the foregoing, and in addition to Liens on the Collateral that the Collateral Agent is authorized to release pursuant to Subsection 10.8(b), the Collateral Agent may, in its discretion, release the Lien on Collateral valued in the aggregate not in excess of the greater of \$40,000,000 and 2.50% of Consolidated Tangible Assets in any fiscal year without the consent of any Lender.

(b) Any waiver and any amendment, supplement or modification pursuant to this Subsection 11.1 shall apply to each of the Lenders and shall be binding upon the Loan Parties, the Lenders, the Agents and all future holders of the Loans. In the case of any waiver, each of the Loan Parties, the Lenders and the Agents shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

(c) Notwithstanding any provision herein to the contrary, (x) no Defaulting Lender shall have any right to approve or disapprove any amendment, supplement, modification, waiver or consent hereunder or under any of the Loan Documents, except to the extent the consent of such Lender would be required under clause (i) in the further proviso to the second sentence of Subsection 11.1(a), (y) no Disqualified Party shall have any right to approve or disapprove any amendment, supplement, modification, waiver or consent hereunder or under any of the Loan Documents and (z) no Net Short Lender shall have any right to approve or disapprove any amendment, supplement, modification, waiver or consent hereunder or under any of the Loan Documents and instead shall be deemed to have voted its interest as a Lender as provided in Subsection 11.1(k) below (for the avoidance of doubt, other than a Net Short Lender that is also a Disqualified Party, which shall be subject to the preceding clause (y)).

(d) Notwithstanding any provision herein to the contrary, this Agreement and the other Loan Documents may be amended, supplemented, waived or otherwise modified (i) to cure any ambiguity, mistake, omission, defect, or inconsistency with the consent of the Borrower and the Administrative Agent, (ii) in accordance with [Subsection 2.8](#) to incorporate the terms of any Incremental Commitments (including to add a new revolving facility or letter of credit facility under this Agreement with respect to any Incremental Revolving Commitment or Incremental Letter of Credit Commitment or to add an escrow arrangement) with the written consent of the Borrower and the Lenders providing such Incremental Commitments, (iii) in accordance with [Subsection 2.10](#) to effectuate an Extension with the written consent of the Borrower and the Extending Lenders, (iv) in accordance with [Subsection 2.11](#) to incorporate the terms of any Specified Refinancing Facilities with the consent of the Borrower and the applicable Specified Refinancing Lenders, (v) in accordance with [Subsection 7.12](#), to change the financial reporting convention, (vi) with the consent of the Borrower and the Administrative Agent (in each case such consent not to be unreasonably withheld, conditioned or delayed), in the event any mandatory prepayment or redemption provision in respect of the Net Cash Proceeds of Asset Dispositions or Recovery Events or from Excess Cash Flow included or to be included in any Incremental Commitment Amendment or any Indebtedness constituting Additional Obligations or that would constitute Additional Obligations would result in Incremental Term Loans or Additional Obligations, as applicable, being prepaid or redeemed on a more than ratable basis with the Term Loans in respect of the Net Cash Proceeds from any such Asset Disposition or Recovery Event or Excess Cash Flow prepayment to the extent such Net Cash Proceeds or Excess Cash Flow are required to be applied to repay Term Loans hereunder pursuant to [Subsection 4.4\(e\)](#), to provide for mandatory prepayments of the Initial Term Loans such that, after giving effect thereto, the prepayments made in respect of such Incremental Term Loans or Additional Obligations, as applicable, are not on more than a ratable basis, (vii) to waive, amend or modify this Agreement or any other Loan Document in a manner that by its terms affects the rights or duties under this Agreement or any other Loan Document of Lenders holding Loans or Commitments of a particular Tranche (but not the Lenders holding Loans or Commitments of any other Tranche), by an agreement or agreements in writing entered into by the Borrower and the requisite percentage in interest of the Lenders with respect to such Tranche that would be required to consent thereto under this [Subsection 11.1](#) if such Lenders were the only Lenders hereunder at the time, (viii) to implement any changes contemplated by the definition of "~~LIBOR Rate~~" "[SOFR](#)", "[Term SOFR Rate](#)" or "[Benchmark Replacement Conforming Changes](#)" in [Subsection 1.1](#) hereof with the consent of the Borrower and the Administrative Agent and (ix) to waive, amend or modify any Increase Supplement, Lender Joinder Agreement or Incremental Commitment Amendment with the written consent of the Borrower and the Lenders party thereto, unless as so amended or modified such Increase Supplement, Lender Joinder Agreement or Incremental Commitment Amendment, as applicable, would not be permitted under this Agreement. Without limiting the generality of the foregoing, any provision of this Agreement and the other Loan Documents, including [Subsection 4.4](#), [4.8](#) or [10.14](#) hereof, may be amended, supplemented, modified or waived as set forth in the immediately preceding sentence pursuant to any Incremental Commitment Amendment, any Extension Amendment or any Specified Refinancing Amendment, as the case may be, to provide for non-pro rata borrowings and payments of any amounts hereunder as between any Tranches, including the Term Loans, any Incremental Commitments or Incremental Loans, any Extended Tranche and any Specified Refinancing Tranche, or to provide for the inclusion, as appropriate, of the Lenders of any Extended Tranche, Specified Refinancing Tranche, Incremental Commitments or Incremental Loans in any required vote or action of the Required Lenders, the Required Majority in Interest Lenders, or of the Lenders of each Tranche hereunder. The Administrative Agent hereby agrees (if requested by the Borrower) to execute any amendment, supplement, modification or waiver referred to in this clause (d) or an acknowledgement thereof.

(e) Notwithstanding any provision herein to the contrary, this Agreement may be amended (or deemed amended) or amended and restated with the written consent of the Required Lenders, the Administrative Agent in its entirety as follows:

[Addresses](#) and the Borrower (x) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the existing Facilities and the accrued interest and fees in respect thereof, (y) to include,

as appropriate, the Lenders holding such credit facilities in any required vote or action of the Required Lenders, or of the Lenders of each Facility hereunder and (z) to provide class protection for any additional credit facilities.

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(f) Notwithstanding any provision herein to the contrary, any Security Document may be amended (or amended and restated), restated, waived, supplemented or modified as contemplated by Subsection 11.17 with the written consent of the Agent party thereto and the Loan Party party thereto.

(g) If, in connection with any proposed change, waiver, discharge or termination of or to any of the provisions of this Agreement and/or any other Loan Document as contemplated by Subsection 11.1(a), the consent of each Lender, or each affected Lender, as applicable, is required and either (x) the consent of the Required Lenders or the Required Majority in Interest Lenders, as applicable, at such time is obtained or (y) the consent of the Required Lenders or the Required Majority in Interest Lenders, as applicable, at such time is not obtained, but, in each case under clause (x) or (y), the consent of one or more of such other Lenders whose consent is required is not obtained (each such Lender, a "Non-Consenting Lender") then the Borrower may, on notice to, in the case of clause (x), the Administrative Agent and any relevant Non-Consenting Lender, or, in the case of clause (y), the Administrative Agent and every Non-Consenting Lender, (A) replace such Non-Consenting Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Subsection 11.6 (with the assignment fee and any other costs and expenses to be paid by the Borrower in such instance) all of its rights and obligations under this Agreement to one or more assignees; provided that neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to find a replacement Lender; provided, further, that the applicable assignee shall have agreed to the applicable change, waiver, discharge or termination of this Agreement and/or the other Loan Documents; and provided, further, that all obligations of the Borrower owing to such Non-Consenting Lender relating to the Loans, Commitments and participations so assigned shall be paid in full by the assignee Lender (or, at its/their option, by the Borrower) to such Non-Consenting Lender concurrently with such Assignment and Acceptance, in each case, for the avoidance of doubt, in an amount not in excess of the amount of such obligations, as applicable, or (B) so long as no Event of Default under Subsection 9.1(a) or (f) then exists or will exist immediately after giving effect to the respective prepayment, prepay the Loans, in whole or in part, subject to Subsection 4.12, without premium or penalty. In connection with any such replacement under this Subsection 11.1(g), if a Non-Consenting Lender that was provided notice as set forth in the previous sentence does not execute and deliver to the Administrative Agent a duly completed Assignment and Acceptance and/or any other documentation necessary to reflect such replacement by the later of (a) the date on which the replacement Lender executes and delivers such Assignment and Acceptance and/or such other documentation and (b) the date as of which all obligations of the Borrower owing to such Non-Consenting Lender relating to the Loans, Commitments and participations so assigned shall be paid in full by the assignee Lender to such Non-Consenting Lender, then such Non-Consenting Lender shall be deemed to have executed and delivered such Assignment and Acceptance and/or such other documentation as of such date and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Acceptance and/or such other documentation on behalf of such Non-Consenting Lender, and the Administrative Agent shall record such assignment in the Register.

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(h) Notwithstanding anything to the contrary herein, at any time and from time to time, upon notice to the Administrative Agent (who shall promptly notify the applicable Lenders) specifying in reasonable detail the proposed terms thereof, the Borrower may make one or more loan modification offers to all the Lenders of any Facility that would, if and to the extent accepted by any such Lender, (a) change the Applicable Margin and/or fees payable with respect to the Loans and/or Commitments under such Facility (in each case solely with respect to the Loans and Commitments of accepting Lenders in respect of which an acceptance is delivered) and (b) treat the Loans and/or Commitments so modified as a new "Facility" and a new "Tranche" for all purposes under this Agreement; provided that (i) such loan modification offer is made to each Lender under the applicable Facility on the same terms and subject to the same procedures as are applicable to all other Lenders under such Facility (which procedures in any case shall be reasonably satisfactory to the Administrative Agent) and (ii) no loan modification shall affect the rights or duties of, or any fees or other amounts payable to, the Administrative Agent, without its prior written consent.

(i) In connection with any amendment to this Agreement that addresses (a) a Repricing Transaction of the Initial Term Loans or (b) a “repricing transaction” of any other Tranche of Term Loans (as if the definition “Repricing Transaction” applied to such Tranche of Term Loans) (each such amendment, a “Permitted Repricing Amendment”), so long as such amendment by its terms only affects the rights or duties under this Agreement or any other Loan Document of Lenders holding such Loans or Commitments of such Tranche of Term Loans (but not the Lenders holding Loans or Commitments of any other Tranche), only the consent of the requisite percentage in interest (assuming for such determination, such Tranche is the only outstanding Tranche hereunder) of (x) the Lenders holding such Tranche of Term Loans that will continue as a Lender in respect of such Tranche following such Permitted Repricing Amendment and (y) any increasing Lender or Additional Incremental Lender that provides Supplemental Term Loan Commitments to such Tranche of Term Loans substantially concurrently with such Permitted Repricing Amendment, shall be required.

(j). [Reserved] Notices.

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(k) Notwithstanding anything to the contrary herein, in connection with any determination as to whether the requisite Lenders have (A) consented (or not consented) to any amendment or waiver of any provision of this Agreement or any other Loan Document or any departure by any Loan Party therefrom, (B) otherwise acted on any matter related to any Loan Document, or (C) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, (I) any Lender (alone or together with its Affiliates (but subject to clause (vi) below)) (other than (x) any Lender that is a Regulated Bank and (y) any Committed Lender) that, as a result of its (or its Affiliates' (but subject to clause (vi) below)) interest, whether held directly or through any intermediary, in any total return swap, total rate of return swap, credit default swap or other derivative contract (other than any such total return swap, total rate of return swap, credit default swap or other derivative contract entered into pursuant to bona fide market making activities), has a net short position with respect to either (1) the Loans and/or Commitments or (2) any other Indebtedness and/or commitments in respect thereof of the Borrower or the other Loan Parties and/or any equity interests of the Borrower or the other Loan Parties or any Parent Entity or IPO Vehicle (any such Indebtedness and/or commitments and/or equity interests under this clause (2), the “Covered Instrument”) (each, a “Net Short Lender”) shall have no right to vote any of its Loans and Commitments and shall be deemed to have voted its interest as a Lender without discretion in the same proportion as the allocation of voting with respect to such matter by Lenders who are not Net Short Lenders (in each case unless otherwise agreed to by the Borrower) and (II) each Lender shall covenant to provide the Borrower with such other information as the Borrower may reasonably request from time to time in order to verify the accuracy of such Lender's representation or warranty or deemed representation or warranty with respect to not being a Net Short Lender, within five Business Days of request thereof (the “Net Short Lender Verification Covenant”). For purposes of determining whether a Lender (alone or together with its Affiliates (but subject to clause (vi) below)) has a “net short position” on any date of determination: (i) derivative contracts with respect to the Loans and/or Commitments and/or any Covered Instrument and such contracts that are the functional equivalent thereof shall be counted at the notional amount thereof in Dollars, (ii) notional amounts in other currencies shall be converted to the dollar equivalent thereof by such Lender in a commercially reasonable manner consistent with generally accepted financial practices and based on the prevailing conversion rate (determined on a mid-market basis) on the date of determination, (iii) derivative contracts in respect of an index that includes any of the Borrower or other Loan Parties or any Parent Entity or IPO Vehicle or any instrument issued or guaranteed by any of the Borrower or other Loan Parties or any Parent Entity or IPO Vehicle shall not be deemed to create a short position with respect to either (1) the Loans and/or Commitments and/or (2) the Covered Instrument, so long as (x) such index is not created, designed, administered or requested by such Lender or its Affiliates (other than its Excluded Affiliates) and (y) the Borrower and other Loan Parties and any Parent Entity or IPO Vehicle and any instrument issued or guaranteed by any of the Borrower or other Loan Parties or any Parent Entity or IPO Vehicle, collectively, shall represent less than 5% of the components of such index, (iv) derivative transactions that are documented using either the 2014 ISDA Credit Derivatives Definitions or the 2003 ISDA Credit Derivatives Definitions (collectively, the “ISDA CDS Definitions”) shall be deemed to create a short position with respect to either (1) the Loans and/or Commitments and/or (2) the Covered Instrument if such Lender (or its Affiliates (other than its Excluded Affiliates)) is a protection buyer or the equivalent thereof for such derivative transaction and (x) the Loans and/or the Commitments and/or any Covered Instrument are a “Reference

Obligation" under the terms of such derivative transaction (whether specified by name in the related documentation, included as a "Standard Reference Obligation" on the most recent list published by Markit, if "Standard Reference Obligation" is specified as applicable in the relevant documentation or in any other manner), (y) the Loans and/or the Commitments and/or any Covered Instrument would be a "Deliverable Obligation" under the terms of such derivative transaction or (z) any of the Borrower or other Loan Parties or any Parent Entity or IPO Vehicle (or any of their successors) is designated as a "Reference Entity" under the terms of such derivative transactions, (v) credit derivative transactions or other derivatives transactions not documented using the ISDA CDS Definitions shall be deemed to create a short position with respect to either (1) the Loans and/or Commitments and/or (2) the Covered Instrument if such transactions are functionally equivalent to a transaction that offers such Lender or its Affiliates (other than its Excluded Affiliates) protection in respect of the Loans and/or the Commitments and/or any Covered Instrument, or as to the credit quality of any of the Borrower or other Loan Parties or any Parent Entity or IPO Vehicle (or any of their successors) other than, in each case, as part of an index so long as (x) such index is not created, designed, administered or requested by such Lender or its Affiliates (other than its Excluded Affiliates) and (y) the Borrower and other Loan Parties and any Parent Entity or IPO Vehicle and any instrument issued or guaranteed by any of the Borrower or other Loan Parties or any Parent Entity or IPO Vehicle, collectively, shall represent less than 5% of the components of such index and (vi) in connection with any such determination, each Lender shall either (A) reasonably inquire as to whether its Ethically Screened Affiliates have any interest in the Loans and/or Commitments, any such Covered Instrument and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract, and such Ethically Screened Affiliates' interests therein shall only be included in determining whether such Lender (alone or together with its Affiliates) is a Net Short Lender to the extent determined from such reasonable inquiry or (B) provide a certification or deemed certification to the Administrative Agent and the Borrower that such Lender is not coordinating or acting in concert with any of its Affiliates (other than any Affiliates designated in writing by such Lender whose interests in the Loans and/or Commitments, any such Covered Instrument and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract shall be included in determining whether such Lender is a Net Short Lender (each, a "Designated Affiliate")) with respect to its interest in the Loans and/or Commitments, any such Covered Instrument and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract, in which case the interests of the Affiliates (other than any Designated Affiliates) of such Lender in any Loans and/or Commitments, any such Covered Instrument and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract shall not be included in determining whether such Lender is a Net Short Lender (any such Affiliate in clause (A) or (B) above (other than any Designated Affiliates) whose Loans and/or Commitments, any Covered Instrument and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract are not included in determining whether such Lender is a Net Short Lender, an "Excluded Affiliate"). In connection with any such determination, each Lender shall promptly notify the Borrower and the Administrative Agent in writing that it is a Net Short Lender, or shall otherwise be deemed to have represented and warranted to the Borrower and the Administrative Agent that it is not a Net Short Lender (it being understood and agreed that the Borrower and the Administrative Agent shall be entitled to rely on each such representation and deemed representation; provided that if such determination relates to a notice, consent, action or direction or requirement to undertake action relating to a Default or Event of Default, such representation or deemed representation shall be deemed repeated at all times until the resulting Default or Event of

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Default is cured or ceases to exist or the Loans hereunder are accelerated. If, in connection with any determination as to whether the requisite Lenders have (A) consented (or not consented) to any amendment or waiver of any provision of this Agreement or any other Loan Document or any departure by any Loan Party therefrom, (B) otherwise acted on any matter related to any Loan Document, or (C) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, in each case relating to a Default or Event of Default (each, a "Default Direction"), but prior to the acceleration of the Loans, the Borrower determines in good faith that there is a reasonable basis to believe a Lender that took such action made an incorrect representation or warranty or deemed representation or warranty with respect to not being a Net Short Lender, or otherwise at any relevant time on or following such action was a Net Short Lender (a "Net Short Lender Default Breach"), the Borrower delivers a certificate of a Responsible Officer

to the Administrative Agent certifying that (i) the Borrower believes in good faith that there is a reasonable basis to believe a Lender that gave a Default Direction (x) made an incorrect representation or warranty or deemed representation or warranty with respect to not being a Net Short Lender, or otherwise at any relevant time on or following such action was a Net Short Lender or (y) breached the Net Short Lender Verification Covenant and (ii) the Borrower and/or one of its Affiliates has filed papers with a court of competent jurisdiction seeking a determination that such Lender made an incorrect representation or warranty or deemed representation or warranty with respect to not being a Net Short Lender, or otherwise at any relevant time on or following such action was a Net Short Lender, and seeking to invalidate any Default or Event of Default that resulted from such action, the cure period with respect to such Default or Event of Default shall be automatically stayed pending a final and non-appealable determination of a court of competent jurisdiction on such matter. If such certificate of a Responsible Officer has been delivered to the Administrative Agent, the Administrative Agent shall refrain from acting in accordance with such any such request, demand, authorization, notice, consent or waiver relating to such Default or Event of Default until such time as the Borrower provides to the Administrative Agent a certificate of a Responsible Officer stating that such Lender has satisfied its Net Short Lender Verification Covenant. If such Lender has satisfied its Net Short Lender Verification Covenant, then the Administrative Agent shall be permitted to act in accordance with such Default Direction.

11.2 **Notices.** (a) All notices, requests, claims, demands and demands to or upon the respective parties hereto to be effective other communications hereunder shall be in writing (including facsimile or electronic mail), and unless otherwise expressly provided herein, shall be given (and shall be

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deemed to have been duly given or made when delivered upon receipt) by hand, or three days after being deposited delivery in the mail, postage prepaid, or, in the case of facsimile notice or person, by courier service, by electronic mail when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day), or in the case of delivery by a nationally recognized overnight courier, when received, addressed as follows in the case of the Borrower, the Administrative Agent and the Collateral Agent, and as set forth in Schedules A and A-1 in the case of the other parties hereto, or to such other address as may be hereafter notified by the respective parties hereto and any future holders of the Loans:

The Borrower:

Core & Main LP
1830 Craig Park Court
St. Louis, MO 63146
Attention: Mark R. Witkowski and Jessica L. Killion
Facsimile: (314) 432-2550
Telephone: (314) 432-4700
Email: Mark.Witkowski@coreandmain.com
Jessica.Killion@coreandmain.com

With copies (which shall not constitute notice) to:

Debevoise & Plimpton LLP
919 Third Avenue
New York, New York 10022
Attention: Scott B. Selinger
Facsimile: (212) 909-7465
Telephone: (212) 909-6000
Email: sbselinger@debevoise.com

The Administrative Agent/the Collateral Agent:

JPMorgan Chase Bank, N.A.
500 Stanton Christiana Road
Newark, DE 19713
Attention: Robert Nichols
Facsimile: (302) 634-4580
Telephone: (302) 634-3376
Email: robert.j.nichols@jpmorgan.com

With copies (which shall not constitute notice) to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Attention: Daniel R. Kay
Facsimile: (212) 455-2502
Telephone: (212) 455-3286
Email: dkay@stblaw.com

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provided that any notice, request or demand to or upon the Administrative Agent or the Lenders pursuant to Subsection 4.2, 4.4 or 4.8 shall not be effective until received.

(b) Without in any way limiting the obligation of any Loan Party and its Subsidiaries to confirm in writing any telephonic notice permitted to be given hereunder, the Administrative Agent may prior to receipt of written confirmation act without liability upon the basis of such telephonic notice, believed by the Administrative Agent in good faith to be from a Responsible Officer of a Loan Party.

(c) Loan Documents may be transmitted and/or signed by facsimile or other electronic means (e.g., a "pdf", "tiff" or DocuSign). The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on each Loan Party, each Agent and each Lender. The Administrative Agent may also require that any such documents and signatures be confirmed by a manually signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any facsimile or other electronic document or signature.

(d) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including electronic mail and Internet or intranet websites). Notices or communications posted to an Internet or intranet website shall be deemed received upon the posting thereof.

(e) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." NEITHER THE ADMINISTRATIVE AGENT NOR ANY OF ITS RELATED PARTIES WARRANT THE ACCURACY OR COMPLETENESS OF MATERIALS AND/OR INFORMATION PROVIDED BY OR ON BEHALF OF THE BORROWER HEREUNDER (THE "BORROWER MATERIALS") OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM.

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(f) Each Lender may change its address, email, facsimile or telephone number for notices and other communications hereunder by notice to the Borrower and the Administrative Agent.

(g) All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of any Agent, any Lender or any Loan Party, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

11.4 Survival of Representations and Warranties. All representations and warranties made hereunder and in the other Loan Documents (or in any amendment, modification or supplement hereto or thereto) and in any certificate delivered pursuant hereto or such other Loan Documents shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

11.5 Payment of Expenses and Taxes. The Borrower agrees (a) to pay or reimburse the Agents and the Other Representatives for (1) all their reasonable and documented and invoiced out-of-pocket costs and expenses incurred in connection with (i) the syndication of the Facilities and the development, preparation, execution and delivery of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith or therewith, (ii) the consummation and administration of the transactions (including the syndication of the Initial Term Loan Commitments) contemplated hereby and thereby and (iii) efforts to monitor the Loans and verify, protect, evaluate, assess, appraise, collect, sell, liquidate or otherwise dispose of any of the Collateral in accordance with the terms of the Loan Documents, and (2) the reasonable and documented fees and disbursements of one firm of counsel, solely in its capacity as counsel to the Administrative Agent, and such other special or local counsel (limited to one firm of counsel in each appropriate jurisdiction), consultants, advisors, appraisers and auditors whose retention (other than during the continuance of an Event of Default) is approved by the Borrower, (b) to pay or reimburse each Lender, each Lead Arranger and the Agents for all their reasonable and documented and invoiced out-of-pocket costs and expenses incurred in connection with the enforcement of any rights under this Agreement, the other Loan Documents and any other documents prepared in connection herewith or therewith, including the fees and disbursements of counsel to the Agents (limited to one firm of counsel for the Agents and, if necessary, one firm of local counsel in each appropriate jurisdiction, in each case for the Agents), (c) to pay, indemnify, or reimburse each Lender, each Lead Arranger and the Agents for, and hold each Lender, each Lead Arranger and the Agents harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, any stamp, documentary, excise and other similar taxes, if any, which may be payable or determined to be payable in connection with the execution, delivery or enforcement of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Loan Documents and any such other documents, and (d) to pay, indemnify or reimburse each Lender, each Lead Arranger, each Agent (and any sub-agent thereof) and each Related Party of any of the foregoing Persons (each, an "Indemnatee") for, and hold each Indemnatee harmless from and against, any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (in the case of fees and disbursements of counsel, limited to one firm of counsel for all Indemnitees and, if necessary, one firm of local counsel in each appropriate jurisdiction, in each case for all Indemnitees (and, in the case of an actual or perceived conflict of interest where the Indemnatee affected by such conflict informs the Borrower of such conflict and thereafter, after receipt of the Borrower's consent (which shall not be unreasonably withheld), retains its own counsel, of another firm of counsel for such affected group of Indemnitees)) arising out of or relating to any actual or prospective claim, litigation, investigation or proceeding, whether based on contract, tort or any other theory, brought by a third party or by the Borrower or any other Loan Party and regardless of whether any Indemnatee is a party thereto, with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents and any such other documents, including any of the foregoing relating to the use of proceeds of the Loans, the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of the Borrower or any of its Restricted Subsidiaries or any of the property of the Borrower or any of its Restricted Subsidiaries (all the foregoing in this clause (d), collectively, the "Indemnified Liabilities"), provided that the Borrower shall not have any obligation hereunder to any Lead Arranger, any Other Representative, any Agent (or any sub-agent thereof) or any Lender (or any Related Party of any such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender) with respect to Indemnified Liabilities arising from (i) the gross negligence, bad faith or willful misconduct of such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender (or any Related Party of such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender), as the case may be, as determined by a court of competent jurisdiction in a final and non-appealable decision, (ii) a material breach of the Loan Documents by such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender (or any Related Party of such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender), as the case may be, as determined by a court of competent jurisdiction in a final and non-appealable decision, (iii) claims against such Indemnatee or any Related Party brought by any other Indemnatee that do not arise from an act or omission by the Borrower or any of its Affiliates (other than claims against any Lead Arranger or Agent in its capacity as such) or (iv) any agreement governing any settlement of claims that is effected without the Borrower's prior written consent (such consent not to be unreasonably withheld). Neither the Borrower nor any Indemnatee shall be liable for any indirect, special, punitive or consequential damages hereunder; provided that nothing contained in this sentence shall limit the Borrower's indemnity or reimbursement obligations under this Subsection 11.5 to the extent such indirect, special, punitive or consequential damages are included in any third party claim in connection with which such Indemnatee is entitled to indemnification hereunder. All amounts due under this Subsection 11.5 shall be payable not later than 30 days after written demand therefor. Statements reflecting amounts payable by the Loan Parties pursuant to this Subsection 11.5 shall be submitted to the address of the Borrower set forth in Subsection 11.2, or to such other Person or address as may be hereafter designated by the Borrower in a notice to the Administrative Agent. Notwithstanding the foregoing, except as provided in Subsections 11.5(b) and (c) above, the Borrower shall have no obligation under this Subsection 11.5 to any Indemnatee with respect to any tax, levy, impost, duty, charge, fee, deduction or withholding imposed, levied, collected, withheld or assessed by any Governmental Authority. The agreements in this Subsection 11.5 shall survive repayment of the Loans and all other amounts payable hereunder.

11.6 Successors and Assigns; Participations and Assignments. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) other than in accordance with Subsection 8.7, the Borrower shall not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with Subsection 2.10(e), Subsection 4.13(d), Subsection 4.14(c), Subsection 11.1(g), or this Subsection 11.6.

(b) (i) Subject to the conditions set forth in Subsection 11.6(b)(ii) below, any Lender other than a Conduit Lender may, in the ordinary course of business and in accordance with applicable law, assign (other than to a Disqualified Party or any natural person) to one or more assignees (each, an "Assignee") all or a portion of its rights and obligations under this Agreement (including its Commitments and/or Loans, pursuant to an Assignment and Acceptance) with the prior written consent of:

(A) the Borrower (such consent not to be unreasonably withheld); provided that no consent of the Borrower shall be required for an assignment (x) of Term Loans to a Lender, an Affiliate of a Lender or an Approved Fund; provided that if any Lender assigns all or a portion of its rights and obligations with respect to the Term Loans under this Agreement to one of its Affiliates in connection with or in contemplation of the sale or other disposition of its interest in such Affiliate, the Borrower's prior written consent shall be required for such assignment, and (y) if an Event of Default under Subsection 9.1(a) or (f) with respect to the Borrower has occurred and is continuing, to any other Person; and

(B) the Administrative Agent (such consent not to be unreasonably withheld); provided that no consent of the Administrative Agent shall be required for an assignment to a Lender or an Affiliate of a Lender or an Approved Fund.

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(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitments or Loans under any Facility, the amount of the Commitments or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall be in an amount of an integral multiple of not less than \$1,000,000 unless the Borrower and the Administrative Agent otherwise consent, provided that (1) no such consent of the Borrower shall be required if an Event of Default under Subsection 9.1(a) or (f) with respect to the Borrower has occurred and is continuing and (2) such amounts shall be aggregated in respect of each Lender and its Affiliates or Approved Funds, if any;

(B) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of \$3,500 (unless waived by the Administrative Agent in any given case); provided that for concurrent assignments to two or more Approved Funds such assignment fee shall only be required to be paid once in respect of and at the time of such assignments;

(C) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire;

(D) any assignment of Incremental Commitments or Loans to an Affiliated Lender shall also be subject to the requirements of Subsections 11.6(h) and (i); and

(E) any Term Loans acquired by any Holding Company, the Borrower or any Restricted Subsidiary shall be retired and cancelled promptly upon acquisition thereof.

For the purposes of this Subsection 11.6, the term "Approved Fund" has the following meaning: "Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender. Notwithstanding the foregoing, no Lender shall be permitted to make assignments under this Agreement to any Disqualified Party, except to the extent the Borrower has consented to such assignment in writing and any such assignment and Disqualified Party shall be subject to the provisions of Subsection 11.6(m), except to the extent the Borrower has otherwise expressly consented in writing.

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) below, from and after the effective date specified in each Assignment and Acceptance the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations

under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of (and bound by any related obligations under) Subsections 4.10, 4.11, 4.12, 4.13 and 11.5, and bound by its continuing obligations under Subsection 11.6(m), Subsection 11.16 and, in the case of each Reference Bank, Subsection 4.6(c)). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with Subsection 2.10(e), Subsection 4.13(d), Subsection 4.14(c), Subsection 11.1(g) or this Subsection 11.6 shall, to the extent it would comply with Subsection 11.6(c), be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (c) of this Subsection 11.6 (and any attempted assignment, transfer or participation which does not comply with this Subsection 11.6 shall be null and void).

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(iv) The Borrower hereby designates the Administrative Agent, and the Administrative Agent agrees, to serve as the Borrower's non-fiduciary agent, solely for purposes of this Subsection 11.6, to maintain at one of its offices in New York, New York a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and interest and principal amount of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the 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, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower (and, solely with respect to entries applicable to such Lender, any Lender), at any reasonable time and from time to time upon reasonable prior notice. Notwithstanding the foregoing, in no event shall the Administrative Agent be obligated to ascertain, monitor or inquire as to whether any Lender is an Affiliated Lender nor shall the Administrative Agent be obligated to monitor the aggregate amount of Term Loans or Incremental Term Loans held by Affiliated Lenders. Upon request by the Administrative Agent, the Borrower shall use commercially reasonable efforts to (i) promptly (and in any case, not less than five Business Days (or such shorter period as may be agreed to by the Administrative Agent) prior to the proposed effective date of any amendment, consent or waiver pursuant to Subsection 11.1) provide to the Administrative Agent, a list of, to the Borrower's knowledge, all Affiliated Lenders holding Loans or Commitments at the time of such notice and (ii) not less than five Business Days (or such shorter period as may be agreed to by the Administrative Agent) prior to the proposed effective date of any amendment, consent or waiver pursuant to Subsection 11.1, provide to the Administrative Agent, a list of, to the Borrower's knowledge, all Affiliated Debt Funds holding Loans or Commitments at the time of such notice.

(v) Each Lender that sells a participation shall, acting for itself and, solely for this purpose, as non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans, Commitments or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary (x) to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations or (y) for the Borrower to enforce its rights hereunder. The entries in the Participant Register shall be conclusive absent manifest error, and a Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

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(vi) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender (unless such assignment is being made in accordance with Subsection 2.10(e), Subsection 4.13(d), Subsection 4.14(c), Subsection 11.1(g), Subsection 11.6(f) or Subsection 11.6(m)(iv) in which case the effectiveness of such Assignment and Acceptance shall not require execution by the 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 this Subsection 11.6(b) and any written consent to such assignment required by this Subsection 11.6(b), the Administrative Agent shall accept such Assignment and Acceptance, record the information contained therein in the Register and give prompt notice of such assignment and recordation to the Borrower. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (vi).

(vii) On or prior to the effective date of any assignment pursuant to this Subsection 11.6(b), the assigning Lender shall surrender to the Administrative Agent any outstanding Notes held by it evidencing the Loans or Commitments, as applicable, which are being assigned. Any Notes surrendered by the assigning Lender shall be returned by the Administrative Agent to the Borrower marked "cancelled."

Notwithstanding the foregoing provisions of this Subsection 11.6(b) or any other provision of this Agreement, if the Borrower shall have consented thereto in writing in its sole discretion, the Administrative Agent shall have the right, but not the obligation, to

effectuate assignments of Loans, Incremental Commitments and Initial Term Loan Commitments via an electronic settlement system acceptable to Administrative Agent and the Borrower as designated in writing from time to time to the Lenders by Administrative Agent (the "Settlement Service"). At any time when the Administrative Agent elects, in its sole discretion, to implement such Settlement Service, each such assignment shall be effected by the assigning Lender and proposed Assignee pursuant to the procedures then in effect under the Settlement Service, which procedures shall be subject to the prior written approval of the Borrower and shall be consistent with the other provisions of this Subsection 11.6(b). Each assigning Lender and proposed Assignee shall comply with the requirements of the Settlement Service in connection with effecting any assignment of Loans and Commitments pursuant to the Settlement Service. Assignments and assumptions of Loans and Commitments shall be effected by the provisions otherwise set forth herein until the Administrative Agent notifies the Lenders of the Settlement Service as set forth herein. The Borrower may withdraw its consent to the use of the Settlement Service at any time upon notice to the Administrative Agent, and thereafter assignments and assumptions of the Loans and Commitments shall be effected by the provisions otherwise set forth herein. Notwithstanding the foregoing, it is understood and agreed that the Administrative Agent shall have the right, but not the obligation, to effectuate assignments of Loans and Commitments via the ClearPar electronic settlement system pursuant to procedures consistent with this Subsection 11.6(b), including execution and delivery of the Assignment and Acceptance (it being understood that such execution and delivery may be by way of electronic signature) by the parties to the assignment.

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Furthermore, no Assignee, which as of the date of any assignment to it pursuant to this Subsection 11.6(b) would be entitled to receive any greater payment under Subsection 4.10, 4.11, 4.12 or 11.5 than the assigning Lender would have been entitled to receive as of such date under such Subsections with respect to the rights assigned shall notwithstanding anything to the contrary in this Agreement be entitled to receive such greater payments unless the assignment was made after an Event of Default under Subsection 9.1(a) or (f) has occurred and is continuing or the Borrower has expressly consented in writing to waive the benefit of this provision at the time of such assignment.

(c) (i) Any Lender other than a Conduit Lender may, in the ordinary course of its business and in accordance with applicable law, without the consent of the Borrower or the Administrative Agent, sell participations (other than to any Disqualified Party or a natural person) to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Initial Term Loan Commitments, Incremental Commitments, Extended Commitments and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (C) such Lender shall remain the holder of any such Loan for all purposes under this Agreement and the other Loan Documents, (D) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, (E) [reserved], (E) from time to time upon the reasonable request of the Borrower, each Lender shall provide the Borrower a list of all (x) in the case of any revolving facility under the Loan Documents, outstanding participations in such revolving facility that such Lender has sold and (y) in the case of Term Loans, outstanding voting participations in such Term Loans that such Lender has sold and (G) in the case of any participation to a Permitted Affiliated Assignee, such participation shall be governed by the provisions of Subsection 11.6(h)(ii) to the same extent as if each reference therein to an assignment of a Loan were to a participation of a Loan and the references to Affiliated Lender were to such Permitted Affiliated Assignee in its capacity as a participant. Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, supplement, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, supplement, modification or waiver that (1) requires the consent of each Lender directly affected thereby pursuant to clause (i) or (iii) of the second proviso to the second sentence of Subsection 11.1(a) and (2) directly affects such Participant. Subject to Subsection 11.6(c)(ii), the Borrower agrees that each Participant shall be entitled to the benefits of (and shall have the related obligations under) Subsections 4.10, 4.11, 4.12, 4.13 and 11.5 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Subsection 11.6(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Subsection 11.7(b) as though it were a Lender, provided that such Participant shall be subject to Subsection 11.7(a) as though it were a Lender. Notwithstanding the foregoing, no Lender shall be permitted to sell or maintain a participation under this Agreement to or with any Disqualified Party and any participation to a Person that is or at any time becomes a Disqualified Party shall be null and void, except to the extent the Borrower has expressly consented to such participation in writing; provided that if any such participation by a Lender is subject to a sub-participation by such Disqualified Party to a Person that is not a Disqualified Party or natural person, and such sub-participation if made as a participation directly by such Lender would comply with Subsection 11.6, such sub-participant shall have the right to assume all of the rights and obligations of such Disqualified Party under such participation and thereby become a Participant hereunder in substitution for such Disqualified Party (it being understood that such sub-participant shall, prior to the effectiveness of such assumption, provide to such Lender that sold or maintained such participation all documentation and information as is reasonably required by such Lender pursuant to "know your customer" and anti-money laundering rules and regulations and execute and deliver an appropriate assumption agreement to effect such substitution on terms and conditions

mutually agreed between such sub-participant and such Lender, and such Disqualified Party shall thereupon be deemed to have executed and delivered such assumption agreement). Any such participation and Disqualified Party not permitted prior to the foregoing sentence shall be subject to the provisions of Subsection 11.6(m), except to the extent the Borrower has otherwise expressly consented in writing. Any attempted participation which does not comply with Subsection 11.6 shall be null and void.

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(ii) No Loan Party shall be obligated to make any greater payment under Subsection 4.10, 4.11, 4.12 or 11.5 than it would have been obligated to make in the absence of any participation, unless the sale of such participation is made with the prior written consent of the Borrower and the Borrower expressly waives the benefit of this provision at the time of such participation. Any Participant that is not incorporated under the laws of the United States of America or a state thereof shall not be entitled to the benefits of Subsection 4.11 unless such Participant complies with Subsection 4.11(b) and provides the forms and certificates referenced therein to the Lender that granted such participation.

(d) Any Lender, without the consent of the Borrower or the Administrative Agent, 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, including any pledge or assignment to secure obligations to a Federal Reserve Bank or central bank of a member state of the European Union, and this Subsection 11.6 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 (by foreclosure or otherwise) any such pledgee or Assignee for such Lender as a party hereto.

(e) No assignment or participation made or purported to be made to any Assignee or Participant shall be effective without the prior written consent of the Borrower if it would require the Borrower to make any filing with any Governmental Authority or qualify any Loan or Note under the laws of any jurisdiction, and the Borrower shall be entitled to request and receive such information and assurances as it may reasonably request from any Lender or any Assignee or Participant to determine whether any such filing or qualification is required or whether any assignment or participation is otherwise in accordance with applicable law.

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(f) Notwithstanding the foregoing, any Conduit Lender may assign any or all of the Loans it may have funded hereunder to its designating Lender without the consent of the Borrower or the Administrative Agent and without regard to the limitations set forth in Subsection 11.6(b). The Borrower, each Lender and the Administrative Agent hereby confirms that it will not institute against a Conduit Lender or join any other Person in instituting against a Conduit Lender any domestic or foreign bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding under any state, federal or provincial bankruptcy or similar law, for one year and one day after the payment in full of the latest maturing commercial paper note issued by such Conduit Lender; provided, however, that each Lender designating any Conduit Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage or expense arising out of its inability to institute such a proceeding against such Conduit Lender during such period of forbearance. Each such indemnifying Lender shall pay in full any claim received from the Borrower pursuant to this Subsection 11.6(f) within 30 Business Days of receipt of a certificate from a Responsible Officer of the Borrower specifying in reasonable detail the cause and amount of the loss, cost, damage or expense in respect of which the claim is being asserted, which certificate shall be conclusive absent manifest error. Without limiting the indemnification obligations of any indemnifying Lender pursuant to this Subsection 11.6(f), in the event that the indemnifying Lender fails timely to compensate the Borrower for such claim, any Loans held by the relevant Conduit Lender shall, if requested by the Borrower, be assigned promptly to the Lender that administers the Conduit Lender and the designation of such Conduit Lender shall be void.

(g) If the Borrower wishes to replace the Loans under any Facility with ones having different terms, it shall have the option, with the consent of the Administrative Agent and subject to at least three Business Days' (or such shorter period as agreed to by the Administrative Agent in its reasonable discretion) advance notice to the Lenders under such Facility, instead of prepaying the Loans to be replaced, to (i) require the Lenders under such Facility to assign such Loans to the Administrative Agent or its designees and (ii) amend the terms thereof in accordance with Subsection 11.1. Pursuant to any such assignment, all Loans to be replaced shall be purchased at par (allocated among the Lenders under such Facility in the same manner as would be required if such Loans were being optionally prepaid by the Borrower), accompanied by payment of any accrued interest and fees thereon and any amounts owing pursuant to Subsection 4.12. By receiving such purchase price, the Lenders under such Facility shall automatically be deemed to have assigned the Loans under such Facility pursuant to the terms of the form of the Assignment and Acceptance, the Administrative Agent shall record such assignment in the Register and accordingly no other action by such Lenders shall be required in connection therewith. The provisions of this clause (g) are intended to facilitate the maintenance of the perfection and priority of existing security interests in the Collateral during any such replacement.

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(h) (i) Notwithstanding anything to the contrary contained herein, (x) any Lender may, at any time, assign all or a portion of its rights and obligations under this Agreement in respect of its Loans or Commitments to any Parent Entity, the Borrower, any Subsidiary or an Affiliated Lender and (y) any Parent Entity, the Borrower and any Subsidiary may, from time to time, purchase or prepay Loans, in each case, on a non-pro rata basis through (1) Dutch auction procedures open to all applicable Lenders on a pro rata basis in accordance with customary procedures to be agreed between the Borrower and the Administrative Agent (or other applicable agent managing such auction); provided that (A) any such Dutch auction by the Borrower or its Subsidiaries shall be made in accordance with Subsection 4.4(I) and (B) any such Dutch auction by any Parent Entity shall be made on terms substantially similar to Subsection 4.4(I) or on other terms to be agreed between such Parent Entity and the Administrative Agent (or other applicable agent managing such auction) or (2) open market or other privately negotiated purchases; provided further that:

(1) such Affiliated Lender and such other Lender shall execute and deliver to the Administrative Agent an assignment agreement substantially in the form of Exhibit K hereto (an "Affiliated Lender Assignment and Assumption") and the Administrative Agent shall record such assignment in the Register;

(2) at the time of such assignment after giving effect to such assignment, the aggregate principal amount of all Term Loans held (or participated in) by Affiliated Lenders that are not Affiliated Debt Funds shall not exceed 25.0% of the aggregate principal amount of all Term Loans outstanding under this Agreement;

(3) any such Term Loans acquired by (x) any Holding Company, the Borrower or a Restricted Subsidiary shall be retired or cancelled promptly upon the acquisition thereof and (y) an Affiliated Lender may, with the consent of the Borrower, be contributed to the Borrower, whether through a Parent Entity or otherwise, and exchanged for debt or equity securities of the Borrower or such Parent Entity that are otherwise permitted to be issued at such time pursuant to the terms of this Agreement, so long as any Term Loans so acquired by the Borrower shall be retired and cancelled promptly upon the acquisition thereof.

(ii) Notwithstanding anything to the contrary in this Agreement, no Affiliated Lender that is not an Affiliated Debt Fund shall have any right to (A) attend (including by telephone) any meeting or discussions (or portion thereof) among the Administrative Agent or any Lender to which representatives of the Loan Parties are not invited, (B) receive any information or material prepared by the Administrative Agent or any Lender or any communication by or among the Administrative Agent and/or one or more Lenders, except to the extent such information or materials have been made available to the Borrower or its representatives or (C) receive advice of counsel to the Administrative Agent, the Collateral Agent or any other Lender or challenge their attorney client privilege.

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(iii) Notwithstanding anything in Subsection 11.1 or the definitions of "Required Lenders" and "Required Majority in Interest Lenders" to the contrary, for purposes of determining whether the Required Lenders or the Required Majority in Interest Lenders, as applicable, have (A) consented (or not consented) to any amendment or waiver of any provision of this Agreement or any other Loan Document or any departure by any Loan Party therefrom, (B) otherwise acted on any matter related to any Loan Document, or (C) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, an Affiliated Lender that is not an Affiliated Debt Fund shall be deemed to have voted its interest as a Lender without discretion in the same proportion as the allocation of voting with respect to such matter by Lenders who are not such Affiliated Lenders; provided that, (I) to the extent Lenders are being compensated by the Borrower for consenting to an amendment, modification, waiver or any other action, each Affiliated Lender who has been deemed to have voted its Loans in accordance with this Subsection 11.6(h)(iii) shall be entitled to be compensated on the same basis as each consenting Lender as if it had voted all of its Loans in favor of the applicable amendment, modification, waiver or other action; and (II) no amendment, modification, waiver, consent or other action with respect to any Loan Document shall deprive such Affiliated Lender of its ratable share of any payments of Loans of any class to which such Affiliated Lender is entitled under the Loan Documents without such Affiliated Lender providing its consent; provided, further, that such Affiliated Lender shall have the right to approve any amendment, supplement, modification, waiver or consent that (x) disproportionately and adversely affects such Affiliated Lender in its capacity as a Lender or affects such Affiliated Lender differently in its capacity as a Lender than other Lenders or (y) is of the type described in Subsections 11.1(a)(i) through (iv); and in furtherance of the foregoing, (x) the Affiliated Lender agrees to execute and deliver to the Administrative Agent any instrument reasonably requested by the Administrative Agent to evidence the voting of its interest as a Lender in accordance with the provisions of this Subsection 11.6(h)(iii); provided that if the Affiliated Lender fails to promptly execute such instrument such failure shall in no way prejudice any of the Administrative Agent's rights under this Subsection 11.6(h)(iii); and (y) the Administrative Agent is hereby appointed (such appointment being coupled with an interest) by such Affiliated Lender as such Affiliated Lender's attorney-in-fact, with full authority in the place and stead of such Affiliated Lender and in the name of such Affiliated Lender, from time to time in the Administrative Agent's discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this Subsection 11.6(h)(iii).

(iv) Each Affiliated Lender that is not an Affiliated Debt Fund, solely in its capacity as a Lender, hereby agrees, and each Affiliated Lender Assignment and Assumption agreement shall provide a confirmation that, if any of any Holding Company, the Borrower or any Restricted Subsidiary shall be subject to any voluntary or involuntary bankruptcy, reorganization, insolvency or liquidation proceeding (each, a "Bankruptcy Proceeding"), (i) such Affiliated Lender shall not take any step or action in such Bankruptcy Proceeding to object to, impede, or delay the exercise of any right or the taking of any action by the Administrative Agent (or the taking of any action by a third party that is supported by the Administrative Agent) in relation to such Affiliated Lender's claim with respect to its Term Loans ("Claim") (including objecting to any debtor in possession financing, use of cash collateral, grant of adequate protection, sale or disposition, compromise, or plan of reorganization) so long as such Affiliated Lender in its capacity as a Lender is treated in connection with such exercise or action on the same or better terms as the other Lenders and (ii) with respect to any matter requiring the vote of Lenders during the pendency of a Bankruptcy Proceeding (including voting on any plan of reorganization), the Term Loans held by such Affiliated Lender (and any Claim with respect thereto) shall be deemed to be voted in accordance with Subsection 11.6(h)(iii) above so long as such Affiliated Lender in its capacity as a Lender is treated in connection with the exercise of such right or taking of such action on the same or better terms as other Lenders. For the avoidance of doubt, the Lenders and each Affiliated Lender that is not an Affiliated Debt Fund agree and acknowledge that the provisions set forth in this Subsection 11.6(h)(iv) and the related provisions set forth in each Affiliated Lender Assignment and Assumption constitute a "subordination agreement" as such term is contemplated by, and utilized in, Section 510(a) of the United States Bankruptcy Code, and, as such, it is their intention that this Subsection 11.6(h)(iv) would be enforceable for all purposes in any case where any Holding Company, the Borrower or any Restricted Subsidiary has filed for protection under any law relating to bankruptcy, insolvency or reorganization or relief of debtors applicable to such Holding Company, the Borrower or such Restricted Subsidiary, as applicable. Each Affiliated Lender that is not an Affiliated Debt Fund hereby irrevocably appoints the Administrative Agent (such appointment being coupled with an interest) as such Affiliated Lender's attorney-in-fact, with full authority in the place and stead of such Affiliated Lender and in the name of such Affiliated Lender (solely in respect of Loans, Commitments and participations therein and not in respect of any other claim or status such Affiliated Lender may otherwise have), from time to time in the Administrative Agent's discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this Subsection 11.6(h)(iv).

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(v) Each Lender making an assignment to, or taking an assignment from, an Affiliated Lender acknowledges and agrees that in connection with such assignment, (1) such Affiliated Lender then may have, and later may come into possession of Excluded Information, (2) such Lender has independently and, without reliance on the Affiliated Lender, any Holding Company, the Borrower, any of its Subsidiaries, the Administrative Agent or any of their respective Affiliates, has made its own analysis and determination to enter into such assignment notwithstanding such Lender's lack of knowledge of the Excluded Information and (3) none of the Holding Companies, the Borrower, its Subsidiaries, the Administrative Agent, or any of their respective Affiliates shall have any liability to such Lender, and such Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against any Holding Company, the Borrower, its Subsidiaries, the Administrative Agent, and their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. Each Lender entering into such an assignment further acknowledges that the Excluded Information may not be available to the Administrative Agent or the other Lenders.

(i) Notwithstanding anything to the contrary in this Agreement, Subsection 11.1 or the definitions of "Required Lenders" and "Required Majority in Interest Lenders" (x) with respect to any assignment or participation to or by an Affiliated Debt Fund, such assignment or participation shall be made pursuant to an open market or other privately negotiated purchase and (y) for purposes of determining whether the Required Lenders or the Required Majority in Interest Lenders, as applicable, have (i) consented (or not consented) to any amendment, supplement, modification, waiver, consent or other action with respect to any of the terms of any Loan Document or any departure by any Loan Party therefrom, (ii) otherwise acted on any matter related to any Loan Document, or (iii) directed or required the Administrative Agent, Collateral Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, all Term Loans held by Affiliated Debt Funds may not account for more than 49.9% of the Term Loans of consenting Lenders included in determining whether the Required Lenders or the Required Majority in Interest Lenders, as applicable, have consented to any action pursuant to Subsection 11.1.

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(j) Notwithstanding the foregoing provisions of this Subsection 11.6, nothing in this Subsection 11.6 is intended to or should be construed to limit the Borrower's right to prepay the Loans as provided hereunder, including under Subsection 4.4.

(k) [Reserved].

(l) [Reserved].

(m) (i) Notwithstanding anything contained in this Agreement or any other Loan Document to the contrary, if any Lender or Participant at any time is or becomes a Disqualified Party, then for so long as such Lender or Participant shall be a Disqualified Party, the provisions of this Subsection 11.6(m) shall apply with respect to such Disqualified Party unless the Borrower shall have otherwise expressly consented in writing in its sole discretion (and regardless of whether the Borrower shall have consented to any assignment or participation to such Lender or Participant).

(ii) Any Disqualified Party shall be bound by the provisions of, but shall not have any rights or remedies or be a beneficiary (whether as a Lender, a Participant or otherwise) under or with respect to, this Agreement or any other Loan Document. Without limiting the foregoing, a Disqualified Party (1) shall not be entitled to and shall have no right to receive any payment in respect of principal (other than with respect to payments of principal on the Maturity Date for the applicable Tranche), interest, fees, costs, expenses or any other amount under or in respect of any Loan Document, including but not limited to pursuant to Subsection 2.2, 2.6(c), 4.1, 4.4, 4.5, 4.8, 4.10, 4.11, 4.12, 11.5, 11.6(c) or 11.7 of this Agreement, Subsection 9.4 of the Guarantee and Collateral Agreement or any similar provision of any other Loan Document, and (2) shall be deemed not to be (w) a Secured Party (as defined in the Guarantee and Collateral Agreement or any other applicable Security Document) under or in respect of any Loan Document, (x) a Term Loan Secured Party (as defined in the ABL/Term Loan Intercreditor Agreement) under or in respect of the ABL/Term Loan Intercreditor Agreement, (y) an Original Senior Lien Creditor (as defined in any Junior Lien Intercreditor Agreement) under or in respect of such Junior Lien Intercreditor Agreement or (z) the analogous party under or in respect of any Other Intercreditor Agreement. No fees or interest shall accrue for the account of a Disqualified Party (except solely for interest payable to a permitted assignee thereof following an assignment to such assignee (1) pursuant to and as expressly provided in Subsection 11.6(b) and (2) pursuant to and as expressly provided in Subsection 11.6(m)(iv) below).

(iii) No Disqualified Party shall have any right to approve, disapprove or consent to any amendment, supplement, waiver or modification of this Agreement or any other Loan Document or any term hereof or thereof. In determining whether the requisite Lender or Lenders have consented to any such amendment, supplement, waiver or modification, and in determining the Required Lenders or the Required Majority in Interest Lenders for any purpose under or in respect of any Loan Document, any Lender that is a Disqualified Party (and the Loans and/or Commitments of such Disqualified Party) shall be excluded and disregarded. Each such amendment, supplement, waiver or modification shall be binding and effective as to each Disqualified Party.

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(iv) The Borrower shall have the right (A) at the sole expense of any Lender that is a Disqualified Party and/or the Person that assigned its Commitments and/or Loans to such Disqualified Party, to seek to replace or terminate such Disqualified Party as a Lender by causing such Lender to (and such Lender shall be obligated to) assign any or all of its Commitments and/or Loans and its rights and obligations under this Agreement to one or more assignees (which may, at the Borrower's sole option, be or include any Parent Entity, the Borrower or any Subsidiary); provided that (1) the Administrative Agent shall not have any obligation to the Borrower to find such a replacement Lender, (2) the Borrower shall not have any obligation to such Disqualified Party or any other Person to find such a replacement Lender or accept or consent to any such assignment to itself or any other Person and (3) the assignee (or, at its option, the Borrower) shall pay to such Disqualified Party concurrently with such assignment an amount (which payment shall be deemed payment in full) equal to the lesser of (x) the face principal amount of the Loans so assigned, (y) the amount that such Disqualified Party paid to acquire such Commitments and/or Loans, and (z) the most recently available quoted price for such Commitments and/or Loans (as determined by the Borrower in good faith, which determination shall be conclusive, the "Trading Price"), in each case without interest thereon (it being understood that if the effective date of such assignment is not an Interest Payment Date, such assignee shall be entitled to receive on the next succeeding Interest Payment Date interest on the principal amount of the Loans so assigned that has accrued and is unpaid from the Interest Payment Date last preceding such effective date (except as may be otherwise agreed between such assignee and the Borrower)), or (B) to prepay any Loans held by such Disqualified Party, in whole or in part, by paying an amount (which payment shall be deemed payment in full) equal to the lesser of (x) the face principal amount of the Loans so prepaid, (y) the amount that such Disqualified Party paid to acquire such Loans, and (z) the Trading Price for such Loans (in each case without interest thereon), and if applicable, terminate the Commitments of such Disqualified Party, in whole or in part (provided that, in the case of any Disqualified Party pursuant to clause (iii)(b) of the definition thereof, each Participant that has a participation in the Commitments and/or Loans of such Disqualified Party shall be provided a bona fide and reasonable opportunity to be assigned the Commitments and/or Loans in accordance with clause (A) above in an aggregate amount equal to no less than the aggregate principal amount of such participation). In connection with any such replacement, (1) if the Disqualified Party does not execute and deliver to the Administrative Agent a duly completed Assignment and Acceptance and/or any other documentation necessary or appropriate (in the good faith determination of the Administrative Agent or the Borrower, which determination shall be conclusive) to reflect such replacement by the later of (a) the date on which the replacement Lender executes and delivers such Assignment and Acceptance and/or such other documentation and (b) the date as of which the Disqualified Party shall be paid by the assignee Lender (or, at its option, the Borrower) the amount required pursuant to this Subsection 11.6(m)(iv)(B), then such Disqualified Party shall be deemed to have executed and delivered

such Assignment and Acceptance and/or such other documentation as of such date and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Acceptance and/or such other documentation on behalf of such Disqualified Party, and the Administrative Agent shall record such assignment in the Register, (2) each Lender (whether or not then a party hereto) agrees to disclose to the Borrower the amount that the applicable Disqualified Party paid to acquire Commitments and/or Loans from such Lender and (3) each Lender that is a Disqualified Party agrees to disclose to the Borrower the amount it paid to acquire the Commitments and/or Loans held by it.

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(v) No Disqualified Party (whether as a Lender, a Participant or otherwise) shall have any right to (A) receive any information or material made available to any Lender or the Administrative Agent hereunder or under any other Loan Document, (B) have access to any Internet or intranet website to which any of the Lenders and the Administrative Agent have access (whether a commercial, third-party or other website or whether sponsored by the Administrative Agent, the Borrower or otherwise), (C) attend (including by telephone) or otherwise participate in any meeting or discussions (or portions thereof) among or with any of the Borrower, the Administrative Agent and/or one or more Lenders, (D) receive any information or material prepared by the Borrower, the Administrative Agent and/or one or more Lenders or (E) receive advice of counsel to the Administrative Agent, the Collateral Agent or any other Lender or challenge their attorney client privilege. Any Disqualified Party shall not solicit or seek to obtain any such information or material. If at any time any Disqualified Party receives or possesses any such information or material, such Disqualified Party shall (1) notify the Borrower as soon as possible that such information or material has become known to it or came into its possession, (2) immediately return to the Borrower or, at the option of the Borrower, destroy (and confirm to the Borrower such destruction) such information or material, together with any notes, analyses, compilations, forecasts, studies or other documents related thereto which it or its advisors prepared and (3) keep such information or material confidential and shall not utilize such information or material for any purpose. Each Lender (whether or not then a party hereto) agrees to notify the Borrower as soon as possible if it becomes aware that (x) it made an assignment to or has a participation with a Disqualified Party or (y) any such Disqualified Party has received any such information of materials.

(vi) The rights and remedies of the Borrower provided herein are cumulative and are not exclusive of any other rights and remedies provided to the Borrower at law or in equity, and the Borrower shall be entitled to pursue any remedy available to it against any Lender that has (or has purported to have) made an assignment or sold or maintained a participation to or with a Disqualified Party or against any Disqualified Party. In no event shall the Administrative Agent be obligated to ascertain, monitor or inquire as to whether (x) any Lender is a Net Short Lender or (y) any prospective assignee pursuant to Subsection 11.6(b) is a Disqualified Party or have any liability with respect to or arising out of any assignment or participation of Loans by the Lenders or disclosure of confidential information by the Lenders, in each case, to any Disqualified Party; provided that, unless the Borrower has expressly consented in writing to an assignment to an applicable Disqualified Party, this sentence shall not relieve the Administrative Agent of any liability arising from the bad faith, gross negligence or willful misconduct of the Administrative Agent (as determined by a court of competent jurisdiction in a final and non-appealable decision).

(vii) Notwithstanding any other provision of this Agreement, any other Loan Document, any Assignment and Acceptance or any other document, the provisions of this Subsection 11.6(m) shall apply and survive with respect to each Lender, Participant and Disqualified Party notwithstanding that any such Person may have ceased to be a Lender or Participant (or any purported participation to any such Disqualified Party shall be void) hereunder or this Agreement may have been terminated.

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11.7 Adjustments; Set-off; Calculations; Computations. (a) If any Lender (a "Benefited Lender") shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Subsection 9.1(f), or otherwise (except pursuant to Subsection 2.8, 2.9, 2.10, 2.11, 4.4, 4.5(b), 4.9, 4.10, 4.11, 4.12, 4.13(d), 4.14, 11.1(g) or 11.6)), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans owing to it, or interest thereon, such Benefited Lender shall purchase for cash from the other Lenders an interest (by participation, assignment or otherwise) in such portion of each such other Lender's Loans owing to it, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) In addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon the occurrence of an Event of Default under Subsection 9.1(a) to set-off and appropriate and apply against any amount then due and payable

under Subsection 9.1(a) by the Borrower any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application.

11.8 Judgment. (a) If, for the purpose of obtaining or enforcing judgment against any Loan Party in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Subsection 11.8 referred to as the "Judgment Currency") an amount due under any Loan Document in any currency (the "Obligation Currency") other than the Judgment Currency, the conversion shall be made at the rate of exchange prevailing on the Business Day immediately preceding the date of actual payment of the amount due, in the case of any proceeding in the courts of any other jurisdiction that will give effect to such conversion being made on such date, or the date on which the judgment is given, in the case of any proceeding in the courts of any other jurisdiction (the applicable date as of which such conversion is made pursuant to this Subsection 11.8 being hereinafter in this Subsection 11.8 referred to as the "Judgment Conversion Date").

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(b) If, in the case of any proceeding in the court of any jurisdiction referred to in Subsection 11.8(a), there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual receipt for value of the amount due, the applicable Loan Party shall pay such additional amount (if any, but in any event not a lesser amount) as may be necessary to ensure that the amount actually received in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency which could have been purchased with the amount of the Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date. Any amount due from any Loan Party under this Subsection 11.8(b) shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of any of the Loan Documents.

(c) The term "rate of exchange" in this Subsection 11.8 means the rate of exchange at which the Administrative Agent, on the relevant date at or about 12:00 P.M., New York City time, would be prepared to sell, in accordance with its normal course foreign currency exchange practices, the Obligation Currency against the Judgment Currency.

11.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement in any number of separate counterparts (including by facsimile and other electronic transmission), and all of such counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be delivered to the Borrower and the Administrative Agent.

11.10 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.11 Integration. This Agreement and the other Loan Documents represent the entire agreement of each of the Loan Parties party hereto, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by any of the Loan Parties party hereto, the Administrative Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

11.12 Governing Law. THIS AGREEMENT AND ANY NOTES AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT AND ANY NOTES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICT OF LAWS TO THE EXTENT SUCH PRINCIPLES OR RULES ARE NOT MANDATORILY APPLICABLE BY STATUTE AND WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

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11.13 Submission to Jurisdiction; Waivers. Each party hereto hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party to the exclusive general jurisdiction of the Supreme Court of the State of New York for the County of New York (the "New York Supreme Court"), and the United States District Court for the Southern District of New York (the "Federal District Court"), and together with the New York Supreme Court, the "New York Courts") and appellate courts from either of them; provided that nothing in this Agreement shall be deemed or operate to preclude (i) any Agent from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Term Loan Facility Obligations (in which case any party

shall be entitled to assert any claim or defense, including any claim or defense that this Subsection 11.13 would otherwise require to be asserted in a legal action or proceeding in a New York Court), or to enforce a judgment or other court order in favor of the Administrative Agent or the Collateral Agent, (ii) any party from bringing any legal action or proceeding in any jurisdiction for the recognition and enforcement of any judgment, (iii) if all such New York Courts decline jurisdiction over any Person, or decline (or in the case of the Federal District Court, lack) jurisdiction over any subject matter of such action or proceeding, a legal action or proceeding may be brought with respect thereto in another court having jurisdiction and (iv) in the event a legal action or proceeding is brought against any party hereto or involving any of its assets or property in another court (without any collusive assistance by such party or any of its Subsidiaries or Affiliates), such party from asserting a claim or defense (including any claim or defense that this Subsection 11.13(a) would otherwise require to be asserted in a legal proceeding in a New York Court) in any such action or proceeding;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient forum and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage (postage prepaid, return receipt requested) to the Borrower, the applicable Lender or the Administrative Agent, as the case may be, respective parties at the address specified in Subsection 11.2 or following addresses (or at such other address of which for a party as shall be as specified in a notice given in accordance with this Section 4.2):

(a) If to IPOco, to:

Core and Main, Inc.

1830 Craig Park Court

St. Louis, Missouri 63146

E-mail: Mark.Whittenburg@coreandmain.com

Attention: General Counsel and Secretary

with a copy (which shall not constitute notice) to:

Debevoise and Plimpton LLP

66 Hudson Boulevard,

New York, New York 10001

E-mail: pmrodel@debevoise.com

Attention: Paul M. Rodel, Esq.

(b) If to Holdings, to:

Core & Main Holdings, LP

c/o Core and Main, Inc.

1830 Craig Park Court

St. Louis, Missouri 63146

E-mail: Mark.Whittenburg@coreandmain.com

Attention: General Counsel and Secretary

with a copy (which shall not constitute notice) to:

Debevoise and Plimpton LLP

66 Hudson Boulevard,

New York, New York 10001

E-mail: pmrodel@debevoise.com

Attention: Paul M. Rodel, Esq.

(c) If to CD&R Waterworks Holdings, addressed to it at:

CD&R Waterworks Holdings, LLC

c/o Clayton, Dubilier & Rice, LLC

375 Park Ave., 18th Floor

New York, New York 10152

E-mail: RSimson@cdr-inc.com

Attention: Rima Simson

and with a copy (which shall not constitute notice) to:

Debevoise and Plimpton LLP
66 Hudson Boulevard,
New York, New York 10001
E-mail: pmrodel@debevoise.com
Attention: Paul M. Rodel, Esq.

(d) If to Management Feeder, addressed to it at:

Core & Main Management Feeder, LLC
c/o Core and Main, Inc.
1830 Craig Park Court
St. Louis, Missouri 63146
E-mail: Mark.Whittenburg@coreandmain.com
Attention: General Counsel and Secretary

and with a copy (which shall not constitute notice) to:

Debevoise and Plimpton LLP
66 Hudson Boulevard,
New York, New York 10001
E-mail: pmrodel@debevoise.com
Attention: Paul M. Rodel, Esq.

(e) If to any Holder other than the Administrative Agent, any such Lender and the Borrower shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or (subject to clause (a) above) shall limit the right to sue in any other jurisdiction; and

(e) waives, Continuing Limited Partners, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Subsection 11.13 any consequential or punitive damages.

11.14 Acknowledgements. The Borrower hereby acknowledges that:

(a) it has been advised by counsel address and other contact information set forth in the negotiation, execution and delivery records of IPOco or Holdings from time to time.

2. Miscellaneous.

(a) No Other Amendments. Except as expressly provided in Section 1 of this Agreement and the other Loan Documents;

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(b) neither any Agent nor any Other Representative or Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Administrative Agent and Lenders, on the one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of creditor and debtor;

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby and thereby among the Lenders or among the Borrower and the Lenders;

and

(d) each Agent, each Lender and their Affiliates may have economic interests that conflict with those of the Loan Parties, their stockholders and/or their Affiliates.

11.15 Waiver of Jury Trial. EACH OF THE BORROWER, THE AGENTS AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY NOTES OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

11.16 Confidentiality. (a) Each Agent, each Other Representative and each Lender agrees to keep confidential any information (a) provided to it by or on behalf of any Holding Company or the Borrower or any of their respective Subsidiaries pursuant to or in connection with the Loan Documents or (b) obtained by such Lender based on a review of the books and records of any Holding Company or the Borrower or any of their respective Subsidiaries; provided that nothing herein shall prevent any Lender from disclosing any such information (i) to any Agent, any Other Representative or any other Lender, (ii) to any Transferee, or prospective Transferee or any creditor or any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations which agrees to comply with Amendment, the provisions of this Subsection 11.16 pursuant to a written instrument (or electronically recorded agreement from any Person listed above in this clause (ii), in respect to any electronic information (whether posted or otherwise distributed on any Platform)) for the benefit of the Borrower (it being understood that each relevant Lender shall be solely responsible for obtaining such instrument (or such electronically recorded agreement)), (iii) to its Affiliates Agreement are unchanged and the employees, officers, partners, directors, agents, attorneys, accountants and other professional advisors of it and its Affiliates, provided that such Lender shall inform each such Person of the agreement under this Subsection 11.16 and take reasonable actions to cause compliance by any such Person referred to in this clause (iii) with this agreement (including, where appropriate, to cause any such Person to acknowledge its agreement to be bound by the agreement under this Subsection 11.16), (iv) upon the request or demand of any Governmental Authority having jurisdiction over such Lender or its affiliates or to the extent required in response to any order of any court or other Governmental Authority or as shall otherwise be required pursuant to any Requirement of Law, provided that, other than with respect to any disclosure to any bank regulatory authority, such Lender shall, unless prohibited by any Requirement of Law, notify the Borrower of any disclosure pursuant to this clause (iv) as far in advance as is reasonably practicable under such circumstances, (v) which has been publicly disclosed other than in breach of this Agreement, (vi) in connection with the exercise of any remedy hereunder, under any Loan Document or under any Interest Rate Agreement, (vii) in connection with periodic regulatory examinations and reviews conducted by the National Association of Insurance Commissioners or any Governmental Authority having jurisdiction over such Lender or its affiliates (to the extent applicable), (viii) in connection with any litigation to which such Lender (or, with respect to any Interest Rate Agreement, any Affiliate of any Lender party thereto) may be a party subject to the proviso in clause (iv) above, and (ix) if, prior to such information having been so provided or obtained, such information was already in an Agent's or a Lender's possession on a non-confidential basis without a duty of confidentiality to the Borrower or any of its Subsidiaries being violated. Notwithstanding any other provision of this Agreement, any other Loan Document or any Assignment and Acceptance, the provisions of this Subsection 11.16 shall survive with respect to each Agent and Lender until the second anniversary of such Agent or Lender ceasing to be an Agent or a Lender, respectively. In addition, the Administrative Agent may provide information regarding the Facilities to service providers providing administrative and ministerial services solely in connection with the syndication and administration of the Facilities on a confidential basis; provided that, except with respect to information which has been publicly disclosed other than in breach of this Agreement, the Administrative Agent shall inform each such Person of the agreement under this Subsection 11.16 and take reasonable actions to cause compliance by any such Person with this agreement (including, where appropriate, to cause any such Person to acknowledge its agreement to be bound by the agreement under this Subsection 11.16).

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(b) Each Lender acknowledges that any such information referred to in Subsection 11.16(a), and any information (including requests for waivers and amendments) furnished by the Borrower or any of its Subsidiaries or the Administrative Agent pursuant to or in connection with this Agreement and the other Loan Documents, may include material non-public information concerning the Borrower or any of its Subsidiaries, the other Loan Parties

and their respective Affiliates or their respective securities. Each Lender represents and confirms that such Lender has developed compliance procedures regarding the use of material non-public information; that such Lender will handle such material non-public information in accordance with those procedures and applicable law, including United States federal and state securities laws; and that such Lender has identified to the Administrative Agent a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law.

11.17 Incremental Indebtedness; Additional Indebtedness. In connection with the Incurrence by any Loan Party or any Subsidiary thereof of any Incremental Indebtedness, Specified Refinancing Indebtedness or Additional Indebtedness, each of the Administrative Agent and the Collateral Agent agrees to execute and deliver the ABL/Term Loan Intercreditor Agreement, any Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement or any Intercreditor Agreement Supplement and amendments, amendments and restatements, restatements or waivers of or supplements to or other modifications to, any Security Document, and to make or consent to any filings or take any other actions in connection therewith, as may be reasonably deemed by the Borrower to be necessary or reasonably desirable for any Lien on the assets of any Loan Party permitted to secure such Incremental Indebtedness, Specified Refinancing Indebtedness or Additional Indebtedness to become a valid, perfected lien (with such priority as may be designated by the relevant Loan Party or Subsidiary, to the extent such priority is permitted by the Loan Documents) pursuant to the Security Document being so amended, amended and restated, restated, waived, supplemented or otherwise modified or otherwise.

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11.18 USA PATRIOT Act Notice. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub.L. 107-56 (signed into law October 26, 2001)) (the “Patriot Act”), it is required to obtain, verify, and record information that identifies each Loan Party, which information includes the name of each Loan Party and other information that will allow such Lender to identify each Loan Party in accordance with the Patriot Act and the CDD Rule, and the Borrower agrees to provide such information from time to time to any Lender.

11.19 Electronic Execution of Assignments and Certain Other Documents. The words “execution”, “signed”, “signature”, and words of like import in any Assignment and Acceptance or Affiliated Lender Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

11.20 Reinstatement. This Agreement shall remain in full force and effect, and continue to nothing in this Amendment will be effective should any petition or other proceeding be filed by or against any Loan Party for liquidation or reorganization, should any Loan Party become insolvent or make an assignment for the benefit construed as a waiver of any creditor rights or creditors or should an interim receiver, receiver, receiver and manager or trustee be appointed for all or any significant part of any Loan Party's assets, and shall continue to be effective or to be reinstated, as the case may be, if at any time payment and performance of the obligations of the Borrower Parties under the Loan Documents, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the obligations, whether as a fraudulent preference, reviewable transaction or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the obligations of the Borrower hereunder shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

11.21 Acknowledgement and Consent to Bail-In of Affected Financial Institutions Agreement.

(b) **Entire Agreement.** Notwithstanding anything to the contrary herein or in any other Loan Document, the Borrower, each Lender This Amendment and the Administrative Agent (each, an “Acknowledging Party” Agreement, together, (i) acknowledges that any liability of any Lender that is an Affected Financial Institution arising hereunder or under any other Loan Document, to constitutes the extent such liability is

unsecured and solely relates to entire agreement among the Loans and not to any other Person, including any other party hereto or any other Loan Document (and not to any other obligations), to such Acknowledging Party (all such liabilities, other than any Excluded Liability, the "Covered Liabilities") may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers to any Covered Liability arising hereunder or under any other Loan Document which may be payable to it by any Lender party hereto that is an Affected Financial Institution; and

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(b) the effects of any Bail-In Action on any such Covered Liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such Covered Liability;

(ii) a conversion of all, or a portion of, such Covered 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 Parties with respect to the subject matter of this Amendment and the Agreement and supersede any such Covered Liability under this Agreement prior discussions, correspondence, negotiation, proposed term sheet, agreement, understanding or any agreement and there are no agreements, understandings, representations or warranties between the Parties other Loan Document; than those set forth or

(iii) the variation of the terms of such Covered Liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Notwithstanding anything referred to the contrary herein, nothing contained in this Subsection 11.21 shall modify Amendment and the Agreement and (ii) is not intended to confer in or otherwise alter the rights or obligations under this Agreement or any other Loan Document on behalf of any Person not a party hereto (other than an Acknowledging Party to this Amendment and the extent set forth in this Subsection 11.21) Agreement (and their

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successors and assigns) any rights, benefits, causes of action or remedies with respect to the subject matter or any liability that is not a Covered Liability.

11.22 [Reserved].

11.23 Recognition of U.S. Special Resolution Regime provision hereof.

(c) Applicable Law. In the event that any Lender that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Lender of this Agreement, and any interest and obligation in or under this Agreement, will This Amendment shall be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by, and construed in accordance with, the laws of the United States State of Delaware, without giving effect to any choice or a state conflict of laws provision or rule that would cause the application of the United States. In the event laws of any other jurisdiction. The parties hereto hereby declare that any Lender it is their intention that is a Covered Entity or a BHC Act Affiliate of such Lender becomes subject to a proceeding this Amendment shall be regarded as made under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Lender are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States State of Delaware and that the laws of said State shall be applied in interpreting its provisions in all cases where legal interpretation shall be required.

(d) Counterparts. This Amendment may be executed and delivered (including by facsimile transmission or by e-mail delivery of a state ".pdf" format data file) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the United States.

same agreement. Copies of executed counterparts transmitted by telecopy, by e-mail delivery of a ".pdf" format data file or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 2(e).

[SIGNATURE PAGES FOLLOW]

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Remainder of page left intentionally blank]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement Amendment to be duly executed all as of the date first written set forth above.

CD&R WATERWORKS MERGER SUB, LLC

By: _____

Name:

Title:

CORE & MAIN, INC.

[SIGNATURE PAGE TO THE WATERWORKS TERM LOAN CREDIT AGREEMENT]

By: /s/ Stephen O. LeClair

Name: Stephen O. LeClair

Title: Chief Executive Officer

CORE & MAIN HOLDINGS, LP

By: /s/ Stephen O. LeClair

Name: Stephen O. LeClair

Title: Chief Executive Officer

CD&R WATERWORKS HOLDINGS, LLC

By: CD&R Waterworks Holdings, L.P., its manager

By: CD&R Waterworks Holdings GP, Ltd., its general partner

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

CORE & MAIN MANAGEMENT FEEDER, LLC

By: /s/ Mark R. Witkowski
Name: Mark R. Witkowski
Title: Vice President

AGENT AND LENDERS:



[Signature Page to Exchange Agreement Amendment No. 2]

[SIGNATURE PAGETO THE WATERWORKS TERM LOAN CREDIT AGREEMENT]

EXHIBIT 10.27 10.28

AMENDMENT NO. 2 AND WAIVER
TO THE
SECOND AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
CORE & MAIN HOLDINGS, LP

THIS AMENDMENT NO. 2 AND WAIVER, dated as of March 27, 2023 (this "Amendment"), to the A&R Agreement (as defined below, and as amended by this Amendment, the "Agreement") of Core & Main Holdings, LP, a Delaware limited partnership (them partner (in such capacity, the "General Partner") and a limited partner, CD&R Waterworks Holdings, LLC, a Delaware limited liability company (the "CD&R Partner"), as a limited partner, CD&R WW, LLC, a Delaware limited liability company (the "Intermediate Partner"), as a limited partner, and Core & Main Management Feeder, LLC, a Delaware limited liability company (the "Management Partner"), as a limited partner. Capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the A&R Agreement.

W I T N E S S E I H:

WHEREAS, on July 22, 2021, the Original Agreement was amended and restated by the Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of July 22, 2021 and the Second Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of July 22, 2021, and further amended on April 30, 2022, pursuant to Amendment No. 1 (as amended, the "A&R Agreement");

WHEREAS, pursuant to the terms of the Amended and Restated Certificate of Incorporation of C&M Inc., C&M Inc. is obligated to maintain at all times a one-to-one ratio between the number of LP Partnership Interests owned by C&M Inc. (directly or indirectly, including through its subsidiaries) and the number of outstanding shares of Class A Common Stock, subject to certain exceptions;

WHEREAS, C&M Inc. may, at any time and from time to time, repurchase outstanding shares of Class A Common Stock (other than shares of Class A Common Stock issued pursuant to an Exchange Agreement Adjustment) (any such issuance or repurchase of shares of Class A Common Stock, a "Class A Common Stock Event");

WHEREAS, C&M Inc., the Partnership and the CD&R Partner may, at any time and from time to time, enter into certain purchase and redemption agreements, with CD&R Fund X Advisor Waterworks B, L.P., a Cayman Islands exempted limited partnership ("Fund X Advisor"), CD&R Fund X Waterworks B1, L.P., a Cayman Islands exempted limited partnership ("Fund X Waterworks B1"), and CD&R Fund X-A Waterworks B, L.P., a Cayman Islands exempted limited partnership ("Fund X-A"), and each such purchase and redemption agreement, a "Repurchase Agreement";

WHEREAS, pursuant to a Repurchase Agreement, among other things, (i) the Partnership may redeem LP Partnership Interests held by C&M Inc. and LP Partnership Interests held by the CD&R Partner, (ii) the CD&R Partner may transfer to C&M Inc. certain shares of Class B Common Stock of C&M Inc. and (iii) Fund X Advisor, Fund X Waterworks B1 and Fund X-A may transfer to C&M Inc. certain shares of Class A Common Stock of C&M Inc., in each case, subject to the terms and conditions set forth in such Repurchase Agreement;

WHEREAS, pursuant to Section 11.9 of the A&R Agreement, the A&R Agreement may be amended with the consent of the General Partner and each of the Limited Partners and each Limited Partner may waive (in writing) the benefit of any provision of the A&R Agreement with respect to itself for any purpose; and

WHEREAS, each of the Partners hereby desires to amend the A&R Agreement, and waive the benefit of certain provisions of the A&R Agreement, in each case, in the manner set forth herein in order to facilitate the transactions contemplated by Repurchase Agreements and maintain a one-to-one ratio of LP Partnership Interests to outstanding shares of Class A Common Stock.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein made and intending to be legally bound hereby, the parties hereby agree as follows:

1. Amendment

- a. The A&R Agreement is hereby amended to insert the following as a new Section 2.2(g):

"(g) In connection with any matter contemplated by Sections 2.2(a) through (f), the General Partner shall, and hereby is empowered to, take any and all action that it determines to be necessary in its reasonable discretion to maintain a one-to-one ratio between the number of LP Partnership Interests owned by C&M Inc. (directly or indirectly, including through its subsidiaries) and the number of outstanding shares of Class A Common Stock while maintaining the relative economic entitlements of the Partners by adjusting the number of outstanding LP Partnership Interests held by any Partner, including through a redemption of such LP Partnership Interests."

2. Consent and Waiver

a. Notwithstanding anything in the Agreement to the contrary, the Partnership's execution, delivery and performance, and the General Partner's or any Officer's execution and delivery on behalf of the Partnership, on the Partnership's own behalf and/or on behalf of Core & Main Connector, LLC, a Delaware limited liability company, of (i) any Repurchase Agreement, and (ii) all documents, agreements, certificates or filings contemplated thereby or related thereto or any amendments thereto, are hereby authorized, approved, ratified and confirmed in all respects, all without any further act, vote or approval of any other Person. Each party to this Amendment, as a Limited Partner, hereby waives any and all rights and restrictions in the A&R Agreement (including, without limitation, the provisions of Section 3.1(a) thereof) that would otherwise limit non-pro rata cash distributions to Limited Partners authorized by the General Partner and determined to be necessary in the reasonable discretion of the General Partner to effect the transactions contemplated by a Repurchase Agreement. Without limitation of the foregoing, each party to this Amendment agrees that the transactions contemplated by a Repurchase Agreement shall not give rise to any Liquidation Adjustment pursuant to Section 4.1(b) of the Agreement.

3. Miscellaneous

a. This Amendment may be executed and delivered (including by facsimile transmission or by e-mail delivery of a ".pdf" format data file) in one or more counterparts, and by the different Parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy, by e-mail delivery of a ".pdf" format data file or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 3(a).

b. This Amendment (together with the A&R Agreement) constitutes the entire agreement among the parties with respect to the subject matter hereof, superseding any prior agreement or understanding among them, oral or written.

c. This Amendment shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice or conflict of laws provision or rule that would cause the application of the laws of any other jurisdiction. The Parties hereto hereby declare that it is their intention that this Amendment shall be regarded as made under the laws of the State of Delaware and that the laws of said State shall be applied in interpreting its provisions in all cases where legal interpretation shall be required.

d. By its signature below, each of the Partners hereby consents to this Amendment. This Amendment shall be effective as of the date hereof and shall be considered an integrated part of the Agreement. Except as so modified pursuant to this Amendment, the A&R Agreement is ratified and confirmed in all respects. The waiver set forth in Section 2 of this Amendment shall be limited to the transactions contemplated by any Repurchase Agreement and shall not operate or be construed as a further or continuing waiver of any other transactions.

e. If any provision, including any phrase, sentence, clause, section or subsection, of this Amendment is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering such provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision herein contained invalid, inoperative or unenforceable to any extent whatsoever. Upon any such determination, the General Partner shall reasonably and in good faith modify this Amendment so as to effect the original intent of the parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

f. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby in accordance with their terms and to otherwise carry out the intent of the parties hereunder.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed this Amendment effective as of the date first set forth above.

GENERAL AND LIMITED PARTNER

CORE & MAIN, INC., in its capacity as the general partner and a limited partner

By: /s/Stephen LeClair

Name: Stephen O. LeClair

Title: Chief Executive Officer

LIMITED PARTNERS

CD&R WATERWORKS HOLDINGS, LLC, in its capacity as a limited partner

By its manager, CD&R Waterworks Holdings, L.P.
By its general partner, CD&R Waterworks Holdings GP, Ltd.

By: /s/Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R WW, LLC, in its capacity as a limited partner

By its managing member, Core & Main, Inc.

By: /s/Stephen LeClair
Name: Stephen O. LeClair
Title: Chief Executive Officer

CORE & MAIN MANAGEMENT FEEDER, LLC, in its capacity as a limited partner

By its managing member, CD&R Waterworks Holdings GP, Ltd.

By: /s/Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Assistant Secretary

ire Page – Amendment No. 2 and Waiver to the Second Amended and Restated Limited Partnership Agreement of Core & Main Holdings, LP]

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EXHIBIT 10.30

PURCHASE AND REDEMPTION AGREEMENT

by and among

CORE & MAIN, INC.,

CORE & MAIN HOLDINGS, LP,

CD&R FUND X ADVISOR WATERWORKS B, L.P.,

CD&R FUND X WATERWORKS B1, L.P.,

CD&R FUND X-A WATERWORKS B, L.P. AND

CD&R WATERWORKS HOLDINGS, LLC

Dated as of December 5, 2023

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PURCHASE AND REDEMPTION AGREEMENT

This PURCHASE AND REDEMPTION AGREEMENT, dated as of December 5, 2023 (this "Agreement"), is made by and among Core & Main, Inc., a Delaware corporation (the "Company"), Core & Main Holdings, LP, a Delaware limited partnership ("Holdings"), CD&R Fund X Advisor Waterworks B, L.P., a Cayman Islands exempted limited partnership ("Fund X Advisor"), CD&R Fund X Waterworks B1, L.P., a Cayman Islands exempted limited partnership ("Fund X Waterworks B1"), CD&R Fund X-A Waterworks B, L.P., a Cayman Islands exempted limited partnership ("Fund X-A," and collectively with Fund X Advisor and Fund X Waterworks B1, the "Class A Selling Stockholders") and CD&R Waterworks Holdings, LLC, a Delaware limited liability company (the "Paired Interest Selling Stockholder," and collectively with the Class A Selling Stockholders, the "Selling Stockholders"). Capitalized terms used herein shall have the meanings assigned to such terms in the text of this Agreement or in Section 6.1.

RECITALS:

WHEREAS, concurrently with the Closing (as defined below), the Selling Stockholders intend to sell shares of the Company's Class A common stock, par value \$0.01 per share ("Class A Common Stock") in an underwritten registered offering (the "Offering");

WHEREAS, as of the date hereof (with respect to clauses (i)-(iv) below) and as of November 24, 2023 (with respect to clause (v) below), (i) Fund X Advisor is the record and beneficial owner of 274,017 issued and outstanding shares of Class A Common Stock, (ii) Fund X Waterworks B1 is the record and beneficial owner of 41,013,142 issued and outstanding shares of Class A Common Stock, (iii) Fund X-A is the record and beneficial owner of 3,690,027 issued and outstanding shares of Class A Common Stock, (iv) the Paired Interest Selling Stockholder is the record and beneficial owner of 26,969,558 issued and outstanding shares of the Company's Class B common stock, par value \$0.01 per share ("Class B Common Stock"), and a corresponding number of limited partner interests of Holdings ("Partnership Interests"), and (v) the Company is the record and beneficial owner of 178,827,616 Partnership Interests;

WHEREAS, Holdings wishes to redeem 6,251,455 Partnership Interests held by the Company (the "Company Partnership Interests") and 3,748,545 Partnership Interests held by the Paired Interest Selling Stockholder (the "Selling Stockholder Partnership Interests"), for a price per Partnership Interest equal to the same price per share paid by the underwriter(s) to the Selling Stockholders in the Offering (the "Per Partnership Interest Price"), in an aggregate amount equal to 10,000,000 times the Per Partnership Interest Price (the "Redemption Amount"), subject to the terms and conditions set forth herein (collectively, such redeemed Company Partnership Interests and Selling Stockholder Partnership Interests, the "Redeemed Partnership Interests" and such redemptions, the "Redemption");

WHEREAS, concurrent with the Redemption, the Paired Interest Selling Stockholder wishes, for no additional consideration, to convey, assign and transfer to the Company, and the Company wishes, for no additional consideration, to acquire and accept from the Paired Interest Selling

Stockholder, a number of shares of Class B Common Stock equal to the number of Selling Stockholder Partnership Interests, subject to the terms and conditions set forth herein (such shares of Class B Common Stock, the “Transferred Class B Shares”);

WHEREAS, subject to, and immediately following, the Redemption, Fund X Advisor, Fund X Waterworks B1 and Fund X-A wish to sell, convey, assign and transfer to the Company, and the Company wishes to purchase, acquire and accept from such Class A Selling Stockholders, on the terms and conditions set forth in this Agreement, 38,086, 5,700,486 and 512,883 shares of Class A Common Stock, respectively, in each case for a price per share equal to the same price per share paid by the underwriter(s) to the Selling Stockholders in the Offering (the “Per Share Price”) in an aggregate amount equal to 6,251,455 times the Per Share Price (the “Purchase Amount”), subject to the terms and conditions set forth herein (collectively, such shares of Class A Common Stock, the “Purchased Class A Shares”); and

WHEREAS, each of the Selling Stockholders, the Audit Committee of the board of directors of the Company (the “Audit Committee”) and the general partner of Holdings have duly approved the form of this Agreement.

NOW, THEREFORE, the parties agree as follows:

•

Redemption of Partnership Interests; Transfer, Sale and Purchase of Shares

o Redemption of Partnership Interests. Subject to the terms and conditions hereof, at the Closing, the Company and the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to Holdings, and Holdings shall acquire and accept from each of the Company and the Paired Interest Selling Stockholder, free and clear of all Liens (other than any Liens under applicable securities Laws), the Company Partnership Interests and the Selling Stockholder Partnership Interests, respectively, at the Per Partnership Interest Price for an aggregate amount in cash equal to the Redemption Amount.

o Transfer of Class B Shares. Subject to the terms and conditions hereof, and concurrent with the Redemption, at the Closing, the Paired Interest Selling Stockholder shall convey, assign and transfer the Transferred Class B Shares to the Company, and the Company shall acquire and accept from the Paired Interest Selling Stockholder, free and clear of all Liens (other than any Liens under applicable securities Laws), the Transferred Class B Shares for no additional consideration.

o Sale and Purchase of Purchased Class A Shares. Subject to the terms and conditions hereof, and subject to, and immediately following, the Redemption, at the Closing, the Class A Selling Stockholders shall sell, convey, assign and transfer the Purchased Class A Shares to the Company, and the Company shall purchase, acquire and accept from the Class A Selling Stockholders, free and clear of all Liens (other than any Liens under applicable securities Laws), the Purchased Class A Shares at the Per Share Price for an aggregate amount in cash equal to the Purchase Amount.

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o Closing.

Closing Date. The closing of (i) the Redemption, (ii) the transfer of the Transferred Class B Shares and (iii) the sale and purchase of the Purchased Class A Shares (the “Closing”) shall take place at the offices of Debevoise & Plimpton LLP, 66 Hudson Boulevard, New York, New

York 10001, at 10:00 a.m. on the date that is two (2) Business Days after the conditions set forth in Article IV have been satisfied or waived (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at such time), unless another time, date or place is agreed to in writing by the Company, Holdings and the Selling Stockholders. The date on which the Closing actually occurs is referred to hereinafter as the "Closing Date".

Closing Deliverables. At the Closing:

the Company and the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to Holdings, free and clear of any Liens (other than any Liens under applicable securities Laws), the Redeemed Partnership Interests, and Holdings shall pay to the Company and the Paired Interest Selling Stockholder, by wire transfer of immediately available funds to accounts designated by each of the Company and the Paired Interest Selling Stockholder at least two Business Days prior to the Closing Date, an amount equal to the Redemption Amount;

the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to the Company, free and clear of any Liens (other than any Liens under applicable securities Laws), the Transferred Class B Shares for no additional consideration; and the Class A Selling Stockholders shall convey, assign, transfer and deliver to the Company, free and clear of any Liens (other than any Liens under applicable securities Laws), the Purchased Class A Shares, and the Company shall pay to the Class A Selling Stockholders, by wire transfer of immediately available funds to accounts designated in writing by the Class A Selling Stockholders at least two Business Days prior to the Closing Date, an amount equal to the Purchase Amount.

•
Representations and Warranties of the Selling Stockholders

Each of the Selling Stockholders severally, and not jointly, represents and warrants to the Company and Holdings, as of the date hereof and as of the Closing Date, as follows:

o Status.

Each of the Class A Selling Stockholders is an exempted limited partnership duly formed and validly existing under the laws of the Cayman Islands.

The Paired Interest Selling Stockholder is a limited liability company duly formed and validly existing under the laws of the State of Delaware.

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o Authorization and Authority.

Each of the Selling Stockholders have all requisite exempted limited partnership or limited liability company, as applicable, power and authority to execute and deliver this Agreement, to perform their respective obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Selling Stockholders and the performance of the Selling Stockholders' respective obligations hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the Selling Stockholders. Each of the Selling Stockholders has duly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding obligation of each of the Selling Stockholders, enforceable against each of the Selling Stockholders in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium, receivership or similar Laws relating to or affecting creditors' rights generally and by general principles of equity (whether considered at law or in equity).

The execution and delivery of this Agreement by the Selling Stockholders and the performance of their respective obligations hereunder require no action by or in respect of, or filing with, any Governmental Authority other than any filings required to be made by the Selling Stockholders under applicable securities Laws following the Closing.

o Non-Contravention. The execution and delivery of this Agreement by the Selling Stockholders and the performance of their respective obligations hereunder do not and will not (a) conflict with or result in any violation or breach of any provision of their

organizational documents, (b) assuming compliance with the matters referred to in Section 2.2(b), conflict with or result in any violation or breach of any provision of any applicable Law, (c) require any consent of or other action by any Person under any provision of any material agreement or other instrument to which any Selling Stockholder is a party or (d) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under any mortgage, deed of trust, loan agreement or other agreement or instrument to which any Selling Stockholder is a party or by which any Selling Stockholder is bound or to which any of the property or assets of any Selling Stockholder is subject.

o Title to Shares and Partnership Interests. Immediately prior to the Closing, (a) the Paired Interest Selling Stockholder will be the beneficial or record holder of the Selling Stockholder Partnership Interests with full dispositive power thereover, (b) the Paired Interest Selling Stockholder will be the beneficial or record holder of the Transferred Class B Shares with full dispositive power thereover and (c) the Class A Selling Stockholders will be the beneficial or record holder of the Purchased Class A Shares with full dispositive power thereover, and each of the Paired Interest Selling Stockholder and the Class A Selling Stockholders holds, and will hold, such Selling Stockholder Partnership Interests, Transferred Class B Shares and Purchased Class A Shares, as applicable, free and clear of all Liens, encumbrances, equities or claims; and, upon delivery of such

Transferred Class B Shares and Purchased Class A Shares and payment therefor pursuant hereto, if applicable, assuming that the Company or Holdings have no notice of any adverse claims (within the meaning of Section 8-105 of the New York Uniform Commercial Code as in effect in the State of New York from time to time (the “UCC”)) to such Transferred Class B Shares and Purchased Class A Shares, the Company and Holdings, as applicable, will acquire a valid security entitlement (within the meaning of Section 8-102(a)(17) of the UCC) to such Transferred Class B Shares and Purchased Class A Shares acquired by the Company and Holdings, as applicable, and no action (whether framed in conversion, replevin, constructive trust, equitable lien or other theory) based on an adverse claim (within the meaning of Section 8-105 of the UCC) to such security entitlement may be asserted against the Company or Holdings.

o Litigation. There is no Litigation pending against, or, to the Knowledge of the Selling Stockholders, threatened against or affecting, the Selling Stockholders before any court or arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

o Finders' Fees. There is no investment banker, broker, finder or other intermediary retained by or authorized to act on behalf of the Selling Stockholders or any of their Affiliates who might be entitled to any fee or commission from the Company, Holdings or any of their Affiliates upon consummation of the transactions contemplated hereby.

o Advisors. The Selling Stockholders have had the opportunity to discuss with their advisors the consequences of the transactions contemplated herein.

o Information and Risk. Each Selling Stockholder is familiar with the business and operations of the Company and Holdings and has requested, received, reviewed and considered all information as it deems relevant in connection with the transactions contemplated by this Agreement. Each Selling Stockholder has had an opportunity to discuss the Company's and Holding's business, management, prospects and financial affairs and also had an opportunity to ask questions that were answered to such Selling Stockholder's satisfaction. Each Selling Stockholder further acknowledges that it has not relied on any advice or recommendation from the Company or Holdings in connection with the transactions contemplated by this Agreement.

o No Additional Representations. Except for the representations and warranties made by the Selling Stockholders in this Article II, neither the Selling Stockholders nor any other person makes any express or implied representation or warranty to the Company, Holdings or any of their Affiliates or representatives. In particular, without limiting the foregoing disclaimer, neither the Selling Stockholders nor any other person makes or has made any representation or warranty to the Company, Holdings or any of their Affiliates or representatives

except for the representations and warranties made by the Selling Stockholders in this Article II.

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Representations and Warranties of the Company and Holdings

The Company and Holdings severally, and not jointly, each represent and warrant to the Selling Stockholders, as of the date hereof and as of the Closing Date, as follows:

o Status.

The Company is a corporation duly formed and validly existing under the laws of the State of Delaware.

Holdings is a limited partnership duly formed and validly existing under the laws of the State of Delaware

o Authorization and Authority.

The Company and Holdings have all requisite corporate or limited partnership, as applicable, power and authority to execute and deliver this Agreement, to perform their respective obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Company and Holdings and the performance of the Company's and Holdings' respective obligations hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the Company and Holdings, subject to the satisfaction of the condition set forth in Section 4.2(c). The Company and Holdings each have duly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding obligation of each of the Company and Holdings, enforceable against each of the Company and Holdings in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium, receivership or similar Laws relating to or affecting creditors' rights generally and by general principles of equity (whether considered at law or in equity).

The execution and delivery of this Agreement by the Company and Holdings and the performance of their respective obligations hereunder require no action by or in respect of, or filing with, any Governmental Authority other than any filings required to be made by the Company or Holdings under applicable securities Laws following the Closing.

o Non-Contravention. The execution and delivery of this Agreement by the Company and Holdings and the performance of their respective obligations hereunder do not and will not (a) conflict with or result in any violation or breach of any provision of the Amended and Restated Certificate of Incorporation or Amended and Restated By-laws of the Company, the Second Amended and Restated Agreement of Limited Partnership of Holdings (as amended) or the Amended and Restated Certificate of Limited Partnership of Holdings, or the

Company's Related Person Transaction Policy, (b) assuming compliance with the matters referred to in Section 2.2(b), conflict with or result in any violation or breach of any provision of any applicable Law, (c) materially conflict with or result in any violation or breach of, or require any consent of or other action by any Person under, any provision of any material agreement or other instrument to which the Company or Holdings is a party or (d) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under any mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or Holdings is a party or by which the Company or Holdings is bound or to which any of the property or assets of the Company or Holdings is subject.

o Litigation. There is no Litigation pending against, or, to the Knowledge of the Company or Holdings, threatened against or affecting, the Company or Holdings before any court or arbitrator or any Governmental Authority which in any manner challenges or

seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

o Finders' Fees. There is no investment banker, broker, finder or other intermediary retained by or authorized to act on behalf of the Company, Holdings or any of their Affiliates who might be entitled to any fee or commission from the Selling Stockholders or any of their Affiliates upon consummation of the transactions contemplated hereby.

o No Additional Representations. Except for the representations and warranties made by the Company and Holdings in this Article III, none of the Company, Holdings or any other Person makes any express or implied representation or warranty to the Selling Stockholders, or any of their Affiliates or representatives. In particular, without limiting the foregoing disclaimer, each of the Selling Stockholders hereby agrees and acknowledges that none of the Company, Holdings or any other Person makes or has made any representation or warranty to the Selling Stockholders, or any of their Affiliates or representatives, and none of the Selling Stockholders or any of their Affiliates or representatives has relied on any representations or warranties in connection with this Agreement and the transactions contemplated hereby, except for the representations and warranties made by the Company and Holdings in this Article III.

Conditions Precedent

o Conditions to Obligations of the Company, Holdings and the Selling Stockholders. The obligations of the Company, Holdings and the Selling

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Stockholders to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following conditions:

No Injunction, etc. Consummation of the transactions contemplated hereby shall not have been restrained, enjoined or otherwise prohibited or made illegal by any applicable Law or Governmental Authority.

Consummation of Offering. Consummation of the closing of the Offering by the Selling Stockholders.

o Conditions to Obligations of the Company and Holdings. The obligation of the Company and Holdings to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following additional conditions:

Representations; Performance. The representations and warranties contained in Article II of this Agreement shall be true and correct in all material respects at and as of the date hereof and shall be true and correct in all material respects at and as of the Closing Date with the same effect as though made at and as of such time (provided that the representations and warranties contained in Section 3.1 shall be true and correct in all respects at and as of such times). The Selling Stockholders shall have in all material respects duly performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by the Selling Stockholders at or prior to the Closing.

Closing Certificate. Each of the Selling Stockholders shall have delivered to the Company and Holdings a certificate, dated as of the Closing Date and signed by an authorized person of such Selling Stockholder, certifying to the effect that the conditions set forth in Section 4.2(a) have been satisfied.

Solvency Opinion. The Audit Committee shall have determined that there have been no changes to the financial condition of Holdings and the Company that would materially adversely impact the applicability to the transactions contemplated by this Agreement of the solvency opinion delivered to the Audit Committee and the Company, in its capacity as the general partner of Holdings, in connection with the purchase and redemption transactions effected on September 19, 2023 (the "September 2023 Transaction"), by a reputable and independent financial advisor to the effect that, immediately following the consummation of the September 2023 Transaction, (A) the fair value of the assets of the Company and Holdings would exceed their respective liabilities, (B) the Company and Holdings would not have unreasonably small capital with which to engage in their

respective businesses and (C) the Company and Holdings would be able to satisfy their expected liabilities as they become due in the foreseeable future.

No Material Adverse Effect. Since the date hereof, there shall not have occurred any Company Material Adverse Effect.

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o Conditions to Obligations of the Selling Stockholders. The obligation of the Selling Stockholders to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following additional conditions:

Representations; Performance. The representations and warranties contained in Article III of this Agreement shall be true and correct in all material respects at and as of the date hereof and shall be true and correct in all material respects at and as of the Closing Date with the same effect as though made at and as of such time. The Company and Holdings shall have in all material respects duly performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by the Company and Holdings at or prior to the Closing.

Closing Certificate. The Company and Holdings shall each have delivered to the Selling Stockholders a certificate, dated as of the Closing Date and signed by an executive officer of the Company and Holdings, certifying to the effect that the conditions set forth in Section 4.3(a) have been satisfied.

USRPHC Certificate. The Company shall have delivered to the Selling Stockholders a certificate meeting the requirements of Treasury Regulations Section 1.897-2(h) to the effect that the Company is not a "United States real property holding corporation" within the meaning of Section 897(c) of the Internal Revenue Code of 1986, as amended.

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Termination

o Termination. This Agreement may be terminated at any time prior to the Closing Date:

by the mutual written agreement of the Company and the Selling Stockholders; or

by either the Company, on the one hand, or the Selling Stockholders, on the other hand, by notice to the other, if (1) there shall be any Law that makes Closing or otherwise consummating the transactions contemplated hereby illegal or otherwise prohibited or (2) any judgment, injunction, order or decree of any Governmental Authority having competent jurisdiction enjoining the Company, Holdings, or the Selling Stockholders from Closing or otherwise consummating the transactions contemplated hereby is entered and such judgment, injunction, order or decree shall have become final and non-appealable.

In addition, this Agreement shall terminate automatically and be of no further force and effect, in the event that the commencement of the Offering has not been publicly announced within 3 Business Days after the date hereof.

o Effect of Termination. If this Agreement is terminated pursuant to Section 5.1, this Agreement shall become void and of no effect without liability of

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any party (or any of its Affiliates or any of their respective directors, officers, employees, partners, shareholders, advisors, attorneys-in-fact, representatives or agents) to any other party hereto, provided that no such termination shall relieve any party of liability for a willful and material breach of this Agreement prior to such termination. The provisions of this Section 5.2 and Article VI and Article VII shall survive any termination hereof pursuant to Section 5.1.

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Definitions

o Certain Terms. The following terms have the respective meanings given to them below:

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person (provided that neither the Company, Holdings or their subsidiaries, on the one hand, nor the Selling Stockholders or any of their other affiliates, on the other hand, shall be deemed Affiliates of the other for purposes of this Agreement).

“Business Day” means any day that is not (a) a Saturday, (b) a Sunday or (c) any other day on which commercial banks are authorized or required by law to be closed in the City of New York.

“Company Material Adverse Effect” means a material adverse effect on the financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, any court, tribunal or arbitrator and any self-regulatory organization.

“Knowledge” of any Person that is not an individual means the knowledge of any officer, director, general partner or manager of such Person or, in the case of an individual, the knowledge of such individual, in each case after reasonable inquiry.

“Laws” means all laws, statutes, ordinances, rules, regulations, judgments, injunctions, orders and decrees.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, lease, encumbrance or other adverse claim of any kind in respect of such property or asset.

“Litigation” means any action, cease and desist letter, demand, suit, arbitration proceeding, administrative or regulatory proceeding, citation, summons or subpoena of any nature, civil, criminal, regulatory or otherwise, in law or in equity.

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“Person” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Related Person Transaction Policy” means the Related Person Transaction Policy of the Company, dated July 23, 2021.

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Miscellaneous

o Survival. The representations and warranties of the parties contained in this Agreement or in any certificate or other writing delivered pursuant hereto or in connection herewith shall terminate at the Closing.

o Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission) and shall be given:

if to the Company or Holdings,

Core & Main, Inc.
1830 Craig Park Court
St. Louis, Missouri 63146
Attention: Mark Whittenburg, General Counsel & Secretary
E-mail: Mark.Whittenburg@coreandmain.com if to the Selling Stockholders.

c/o Clayton, Dubilier & Rice, LLC
375 Park Avenue, 18th Floor
New York, NY 10152
Attention: Rima Simson
E-mail: RSimson@cdr-inc.com

or such other address or e-mail address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

o Amendment; Waivers, etc. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter

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described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. Neither the waiver by any of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. The rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any party may otherwise have at law or in equity.

o Expenses. All costs, fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby, whether or not consummated, shall be paid by the party incurring such cost or expense.

o Governing Law, etc.

THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICT OF LAWS, TO THE EXTENT SUCH PRINCIPLES OR RULES ARE NOT MANDATORILY APPLICABLE BY STATUTE AND WOULD PERMIT OR REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION. EACH OF THE PARTIES HERETO AGREES THAT THIS AGREEMENT INVOLVES AT LEAST U.S. \$100,000.00 AND THAT THIS AGREEMENT HAS BEEN ENTERED INTO IN EXPRESS RELIANCE UPON 6 Del. C. § 2708. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES (i) TO BE SUBJECT TO THE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE AND OF THE FEDERAL COURTS SITTING IN THE STATE OF DELAWARE, AND (ii)(A) TO THE EXTENT SUCH PARTY IS NOT OTHERWISE SUBJECT TO SERVICE OF PROCESS IN THE STATE OF DELAWARE, TO APPOINT AND MAINTAIN AN AGENT IN THE STATE OF DELAWARE AS SUCH PARTY'S AGENT FOR ACCEPTANCE OF LEGAL PROCESS AND TO NOTIFY THE OTHER PARTIES OF THE NAME AND ADDRESS OF SUCH AGENT, AND (B) THAT, TO THE FULLEST EXTENT PERMITTED BY LAW, SERVICE OF PROCESS MAY ALSO BE MADE ON SUCH PARTY BY PREPAID CERTIFIED MAIL WITH A VALIDATED PROOF OF MAILING RECEIPT CONSTITUTING EVIDENCE OF VALID SERVICE, AND THAT SERVICE MADE PURSUANT TO (ii)(A) OR (B) ABOVE SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, HAVE THE SAME LEGAL FORCE AND EFFECT AS IF SERVED UPON SUCH PARTY PERSONALLY WITHIN THE STATE OF DELAWARE. The Company, Holdings and the Selling Stockholders hereby irrevocably submit to the jurisdiction of the Court of Chancery of the State of Delaware (or, solely to the extent that the Court of Chancery lacks jurisdiction, each other state court of the State of Delaware and the federal courts of the United States of America located in the State of Delaware) solely in respect of the interpretation and

enforcement of the provisions of this Agreement and of the documents referred to in this Agreement and in respect of the transactions contemplated hereby. Each of the Company, Holdings and the Selling Stockholders irrevocably

agrees that all claims in respect of the interpretation and enforcement of the provisions of this Agreement and in respect of the transactions contemplated hereby, or with respect to any such action or proceeding, shall be heard and determined in the Court of Chancery of the State of Delaware (or, solely to the extent that the Court of Chancery lacks jurisdiction, any other Delaware State court or federal court located in the State of Delaware), and that such jurisdiction of such courts with respect thereto shall be exclusive, except solely to the extent that all such courts shall lawfully decline to exercise such jurisdiction. Each of the Company, Holdings and the Selling Stockholders hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that it is not subject to such jurisdiction. Each of the Company, Holdings and the Selling Stockholders hereby waives, and agrees not to assert, to the maximum extent permitted by law, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts so long as such action, suit or proceeding is brought in accordance with this [Section 7.5](#). The Company, Holdings and the Selling Stockholders hereby consent to and grant any such court jurisdiction over such parties and over the subject matter of any such dispute brought in accordance with this [Section 7.5](#) and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in this [Section 7.5](#) or in [Section 7.2](#) or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

o [Successors and Assigns](#). This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, successors and permitted assigns; [provided](#) that this Agreement shall not be assignable or otherwise transferable by either party without the prior written consent of the other party.

o [Further Assurances](#). The Company, Holdings and the Selling Stockholders shall execute and deliver such additional instruments, documents, conveyances or assurances and take such other actions as shall be necessary to confirm and assure the rights and obligations provided for in this Agreement and render effective the consummation of the transactions contemplated hereby, or otherwise to carry out the intent and purposes of this Agreement.

o [Entire Agreement](#). This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

o [Severability](#). If any provision, including any phrase, sentence, clause, section or subsection, of this Agreement is determined by a court of

competent jurisdiction to be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering such provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision herein contained invalid, inoperative or unenforceable to any extent whatsoever. Upon any such determination, the parties shall

negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

o Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. This Agreement shall become effective when each party shall have received a counterpart hereof signed by the other party. Until and unless each party has received a counterpart hereof signed by the other party, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

o Specific Performance; Limitation on Liability. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof, in addition to any other remedy at law or in equity. The parties hereby waive, in any action for specific performance, the defense of adequacy of a remedy at law and the posting of any bond or other security in connection therewith.

[Signature page follows]

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IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

CD&R WATERWORKS HOLDINGS, LLC

By: CD&R Waterworks Holdings, L.P.,
its manager

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X ADVISOR WATERWORKS B, L.P.

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X WATERWORKS B1, L.P.

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson

Title: Vice President, Treasurer and Secretary

CD&R FUND X-A WATERWORKS B, L.P.

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

[Signature Page to Purchase and Redemption Agreement]

CORE & MAIN, INC.

By: /s/ Stephen O. LeClair

Name: Stephen O. LeClair

Title: Chief Executive Officer

CORE & MAIN HOLDINGS, LP

By: Core & Main, Inc.,
its general partner

By: /s/ Stephen O. LeClair

Name: Stephen O. LeClair

Title: Chief Executive Officer

[Signature Page to Purchase and Redemption Agreement]

EXHIBIT 10.31

**AMENDMENT NO. 1
TO THE
PURCHASE AND REDEMPTION AGREEMENT**

This AMENDMENT NO. 1 TO THE PURCHASE AND REDEMPTION AGREEMENT (this "Amendment"), dated as of December 6, 2023, is made by and among Core & Main, Inc., a Delaware corporation (the "Company"), Core & Main Holdings, LP, a Delaware limited partnership ("Holdings"), CD&R Fund X Advisor Waterworks B, L.P., a Cayman Islands exempted limited partnership ("Fund X Advisor"), CD&R Fund X Waterworks B1, L.P., a Cayman Islands exempted limited partnership ("Fund X Waterworks B1"), CD&R Fund X-A Waterworks B, L.P., a Cayman Islands exempted limited partnership ("Fund X-A," and collectively with Fund X Advisor and Fund X Waterworks B1, the "Class A Selling

Stockholders") and CD&R Waterworks Holdings, LLC, a Delaware limited liability company (the "Paired Interest Selling Stockholder," and collectively with the Class A Selling Stockholders, the "Selling Stockholders"). Capitalized terms used herein shall have the meanings assigned to such terms in the text of the Purchase and Redemption Agreement, dated as of December 6, 2023 (the "Agreement").

RECITALS:

WHEREAS, the Audit Committee has approved entry into one or more purchase and redemption agreements with the Company, Holdings and the Selling Stockholders pursuant to which, among other things, (i) Holdings would redeem up to or equal to 6,251,455 Company Partnership Interests and up to or equal to 3,748,545 Selling Stockholder Partnership Interests for up to or equal to 10,000,000 times the Per Partnership Interest Price and (ii) the Company would repurchase from the Class A Selling Stockholders an aggregate of up to or equal to 6,251,455 shares of Class A Common Stock for an aggregate amount up to or equal to 6,251,455 times the Per Share Price;

WHEREAS, the Company, Holdings and the Selling Stockholders (collectively, the "Parties") are party to the Agreement; and

WHEREAS, the Parties desire to amend certain terms and provisions of the Agreement, in accordance with Section 7.3 of the Agreement, as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. Amendments.

a. The following definitions in the Recitals of the Agreement are hereby amended and restated in their entirety as follows:

"Company Partnership Interests" means up to or equal to 6,251,455 Partnership Interests held by the Company.

"Purchase Amount" means an aggregate amount up to or equal to 6,251,455 times the Per Share Price.

"Purchased Class A Shares" means up to or equal to 38,086, 5,700,486 and 512,883 shares of Class A Common Stock to be purchased by the Company from Fund X Advisor, Fund X Waterworks B1 and Fund X-A, respectively.

"Redemption Amount" means an aggregate amount up to or equal to 10,000,000 times the Per Partnership Interest Price.

"Selling Stockholder Partnership Interests" means up to or equal to 3,748,545 Partnership Interests held by the Paired Interest Selling Stockholder.

2. Miscellaneous.

a. **No Other Amendments.** Except as expressly provided in Section 1 of this Amendment, the provisions of the Agreement are unchanged and will remain in full force and effect, and nothing in this Amendment will be construed as a waiver of any rights or obligations of the Parties under the Agreement.

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b. **Entire Agreement.** This Amendment and the Agreement, together, (i) constitutes the entire agreement among the Parties with respect to the subject matter of this Amendment and the Agreement and supersedes any prior discussions, correspondence, negotiation, proposed term sheet, agreement, understanding or agreement and there are no agreements, understandings, representations or warranties between the Parties other than those set forth or referred to in this Amendment and the Agreement and (ii) is not intended to confer in or on behalf of any Person not a party to this Amendment and the Agreement (and their successors and assigns) any rights, benefits, causes of action or remedies with respect to the subject matter or any provision hereof.

c. **Applicable Law.** This Amendment shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice or conflict of laws provision or rule that would cause the application of the laws of any other jurisdiction. The parties hereto hereby declare that it is their intention that this Amendment shall be regarded as made under the laws of the State of Delaware and that the laws of said State shall be applied in interpreting its provisions in all cases where legal interpretation shall be required.

d. **Counterparts.** This Amendment may be executed and delivered (including by facsimile transmission or by e-mail delivery of a ".pdf" format data file) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy, by e-mail delivery of a ".pdf" format data file or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 2(d).

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, the parties have duly executed this Amendment as of the date first above written.

CD&R WATERWORKS HOLDINGS, LLC
By: CD&R Waterworks Holdings, L.P., its manager
By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X ADVISOR WATERWORKS B, L.P.
By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X WATERWORKS B1, L.P.
By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X-A WATERWORKS B, L.P.
By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CORE & MAIN, INC.

By: /s/ Stephen O. LeClair Name: Stephen O. LeClair
Title: Chief Executive Officer

CORE & MAIN HOLDINGS, LP
By: Core & Main, Inc.,
its general partner

By: /s/ Stephen O. LeClair Name: Stephen O. LeClair
Title: Chief Executive Officer

[Signature Page to Purchase and Redemption Agreement Amendment No. 1]

PURCHASE AND REDEMPTION AGREEMENT
by and among
CORE & MAIN, INC.,
CORE & MAIN HOLDINGS, LP,
CD&R FUND X ADVISOR WATERWORKS B, L.P.,
CD&R FUND X WATERWORKS B1, L.P.,
CD&R FUND X-A WATERWORKS B, L.P. AND
CD&R WATERWORKS HOLDINGS, LLC

Dated as of January 5, 2024

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PURCHASE AND REDEMPTION AGREEMENT

This PURCHASE AND REDEMPTION AGREEMENT, dated as of January 5, 2024 (this “Agreement”), is made by and among Core & Main, Inc., a Delaware corporation (the “Company”), Core & Main Holdings, LP, a Delaware limited partnership (“Holdings”), CD&R Fund X Advisor Waterworks B, L.P., a Cayman Islands exempted limited partnership (“Fund X Advisor”), CD&R Fund X Waterworks B1, L.P., a Cayman Islands exempted limited partnership (“Fund X Waterworks B1”), CD&R Fund X-A Waterworks B, L.P., a Cayman Islands exempted limited partnership (“Fund X-A,” and collectively with Fund X Advisor and Fund X Waterworks B1, the “Class A Selling Stockholders”) and CD&R Waterworks Holdings, LLC, a Delaware limited liability company (the “Paired Interest Selling Stockholder,” and collectively with the Class A Selling Stockholders, the “Selling Stockholders”). Capitalized terms used herein shall have the meanings assigned to such terms in the text of this Agreement or in Section 6.1.

RECITALS:

WHEREAS, concurrently with the Closing (as defined below), the Selling Stockholders intend to sell shares of the Company’s Class A common stock, par value \$0.01 per share (“Class A Common Stock”) in an underwritten registered offering (the “Offering”);

WHEREAS, as of the date hereof (with respect to clauses (i)-(iv) below) and as of December 15, 2023 (with respect to clause (v) below), (i) Fund X Advisor is the record and beneficial owner of 189,276 issued and outstanding shares of Class A Common Stock, (ii) Fund X Waterworks B1 is the record and beneficial owner of 28,329,561 issued and outstanding shares of Class A Common Stock, (iii) Fund X-A is the record and beneficial owner of 2,548,861 issued and outstanding shares of Class A Common Stock, (iv) the Paired Interest Selling Stockholder is the record and beneficial owner of 18,629,046 issued and outstanding shares of the Company’s Class B common stock, par value \$0.01 per share (“Class B Common Stock”), and a corresponding number of limited partner interests of Holdings (“Partnership Interests”), and (v) the Company is the record and beneficial owner of 182,492,732 Partnership Interests;

WHEREAS, Holdings wishes to redeem up to or equal to 3,125,728 Partnership Interests held by the Company (the “Company Partnership Interests”) and up to or equal to 1,874,272 Partnership Interests held by the Paired Interest Selling Stockholder (the “Selling Stockholder Partnership Interests”), for a price per Partnership Interest equal to the same price per share paid by the underwriter(s) to the Selling Stockholders in the Offering (the “Per Partnership Interest Price”), in an aggregate amount up to or equal to 5,000,000 times the Per Partnership Interest Price (the “Redemption Amount”), subject to the terms and conditions set forth herein (collectively, such redeemed Company Partnership Interests and Selling Stockholder Partnership Interests, the “Redeemed Partnership Interests” and such redemptions, the “Redemption”);

WHEREAS, concurrent with the Redemption, the Paired Interest Selling Stockholder wishes, for no additional consideration, to convey, assign and transfer to the Company, and the Company wishes, for no additional consideration, to acquire and accept from the Paired Interest Selling Stockholder, a number of shares of Class B Common Stock equal to the number of Selling Stockholder Partnership Interests, subject to the terms and conditions set forth herein (such shares of Class B Common Stock, the "Transferred Class B Shares");

WHEREAS, subject to, and immediately following, the Redemption, Fund X Advisor, Fund X Waterworks B1 and Fund X-A wish to sell, convey, assign and transfer to the Company, and the Company wishes to purchase, acquire and accept from such Class A Selling Stockholders, on the terms and conditions set forth in this Agreement, up to or equal to 19,043, 2,850,243 and 256,422 shares of Class A Common Stock, respectively, in each case for a price per share equal to the same price per share paid by the underwriter(s) to the Selling Stockholders in the Offering (the "Per Share Price") in an aggregate amount up to or equal to 3,125,728 times the Per Share Price (the "Purchase Amount"), subject to the terms and conditions set forth herein (collectively, such shares of Class A Common Stock, the "Purchased Class A Shares"); and

WHEREAS, each of the Selling Stockholders, the Audit Committee of the board of directors of the Company (the "Audit Committee") and the general partner of Holdings have duly approved the form of this Agreement.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I

Redemption of Partnership Interests; Transfer, Sale and Purchase of Shares

Section 1.1 Redemption of Partnership Interests. Subject to the terms and conditions hereof, at the Closing, the Company and the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to Holdings, and Holdings shall acquire and accept from each of the Company and the Paired Interest Selling Stockholder, free and clear of all Liens (other than any Liens under applicable securities Laws), the Company Partnership Interests and the Selling Stockholder Partnership Interests, respectively, at the Per Partnership Interest Price for an aggregate amount in cash equal to the Redemption Amount.

Section 1.2 Transfer of Class B Shares. Subject to the terms and conditions hereof, and concurrent with the Redemption, at the Closing, the Paired Interest Selling Stockholder shall convey, assign and transfer the Transferred Class B Shares to the Company, and the Company shall acquire and accept from the Paired Interest Selling Stockholder, free and clear of all Liens (other than any Liens under applicable securities Laws), the Transferred Class B Shares for no additional consideration.

Section 1.3 Sale and Purchase of Purchased Class A Shares. Subject to the terms and conditions hereof, and subject to, and immediately following, the Redemption, at the Closing, the Class A Selling Stockholders shall sell, convey, assign and transfer the Purchased Class A Shares to the Company, and the Company shall purchase, acquire and accept from the Class A Selling Stockholders, free and clear of all Liens (other than any Liens under applicable securities Laws), the Purchased Class A Shares at the Per Share Price for an aggregate amount in cash equal to the Purchase Amount.

Section 1.4 Closing.

(a) Closing Date. The closing of (i) the Redemption, (ii) the transfer of the Transferred Class B Shares and (iii) the sale and purchase of the Purchased Class A Shares

(the “Closing”) shall take place at the offices of Debevoise & Plimpton LLP, 66 Hudson Boulevard, New York, New York 10001, at 10:00 a.m. on the date that is two (2) Business Days after the conditions set forth in Article IV have been satisfied or waived (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at such time), unless another time, date or place is agreed to in writing by the Company, Holdings and the Selling Stockholders. The date on which the Closing actually occurs is referred to hereinafter as the “Closing Date”.

(b) Closing Deliverables. At the Closing:

(1) the Company and the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to Holdings, free and clear of any Liens (other than any Liens under applicable securities Laws), the Redeemed Partnership Interests, and Holdings shall pay to the Company and the Paired Interest Selling Stockholder, by wire transfer of immediately available funds to accounts designated by each of the Company and the Paired Interest Selling Stockholder at least two Business Days prior to the Closing Date, an amount equal to the Redemption Amount;

(2) the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to the Company, free and clear of any Liens (other than any Liens under applicable securities Laws), the Transferred Class B Shares for no additional consideration; and

(3) the Class A Selling Stockholders shall convey, assign, transfer and deliver to the Company, free and clear of any Liens (other than any Liens under applicable securities Laws), the Purchased Class A Shares, and the Company shall pay to the Class A Selling Stockholders, by wire transfer of immediately available funds to accounts designated in writing by the Class A Selling Stockholders at least two Business Days prior to the Closing Date, an amount equal to the Purchase Amount.

ARTICLE II

Representations and Warranties of the Selling Stockholders

Each of the Selling Stockholders severally, and not jointly, represents and warrants to the Company and Holdings, as of the date hereof and as of the Closing Date, as follows:

Section 2.1 Status.

(a) Each of the Class A Selling Stockholders is an exempted limited partnership duly formed and validly existing under the laws of the Cayman Islands.

(b) The Paired Interest Selling Stockholder is a limited liability company duly formed and validly existing under the laws of the State of Delaware.

Section 2.2 Authorization and Authority.

(a) Each of the Selling Stockholders have all requisite exempted limited partnership or limited liability company, as applicable, power and authority to execute and deliver this Agreement, to perform their respective obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Selling Stockholders and the performance of the Selling Stockholders' respective obligations hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the Selling Stockholders. Each of the Selling Stockholders has duly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding obligation of each of the Selling Stockholders, enforceable against each of the Selling Stockholders in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium, receivership or similar Laws relating to or affecting creditors' rights generally and by general principles of equity (whether considered at law or in equity).

(b) The execution and delivery of this Agreement by the Selling Stockholders and the performance of their respective obligations hereunder require no action by or in respect of, or filing with, any Governmental Authority other than any filings required to be made by the Selling Stockholders under applicable securities Laws following the Closing.

Section 2.3 **Non-Contravention.** The execution and delivery of this Agreement by the Selling Stockholders and the performance of their respective obligations hereunder do not and will not (a) conflict with or result in any violation or breach of any provision of their organizational documents, (b) assuming compliance with the matters referred to in Section 2.2(b), conflict with or result in any violation or breach of any provision of any applicable Law, (c) require any consent of or other action by any Person under any provision of any material agreement or other instrument to which any Selling Stockholder is a party or (d) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under any mortgage, deed of trust, loan agreement or other agreement or instrument to which any Selling Stockholder is a party or by which any Selling Stockholder is bound or to which any of the property or assets of any Selling Stockholder is subject.

Section 2.4 **Title to Shares and Partnership Interests.** Immediately prior to the Closing, (a) the Paired Interest Selling Stockholder will be the beneficial or record holder of the Selling Stockholder Partnership Interests with full dispositive power thereover, (b) the Paired Interest Selling Stockholder will be the beneficial or record holder of the Transferred Class B Shares with full dispositive power thereover and (c) the Class A Selling Stockholders will be the beneficial or record holder of the Purchased Class A Shares with full dispositive power thereover, and each of the Paired Interest Selling Stockholder and the Class A Selling Stockholders holds, and will hold, such Selling Stockholder Partnership Interests, Transferred Class B Shares and Purchased Class A Shares, as applicable, free and clear of all Liens, encumbrances, equities or claims; and, upon delivery of such Transferred Class B Shares and Purchased Class A Shares and payment therefor pursuant hereto, if applicable, assuming that the Company or Holdings have no notice of any adverse claims (within the meaning of Section 8-105 of the New York Uniform Commercial Code as in effect in the State of New York from time to time (the "UCC")) to such Transferred Class B Shares and Purchased Class A Shares, the Company and Holdings, as applicable, will acquire a valid security entitlement (within the

meaning of Section 8-102(a)(17) of the UCC) to such Transferred Class B Shares and Purchased Class A Shares acquired by the Company and Holdings, as applicable, and no action (whether framed in conversion, replevin, constructive trust, equitable lien or other theory) based on an adverse claim (within the meaning of Section 8-105 of the UCC) to such security entitlement may be asserted against the Company or Holdings.

Section 2.5 **Litigation.** There is no Litigation pending against, or, to the Knowledge of the Selling Stockholders, threatened against or affecting, the Selling Stockholders before any court or arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

Section 2.6 **Finders' Fees.** There is no investment banker, broker, finder or other intermediary retained by or authorized to act on behalf of the Selling Stockholders or any of their Affiliates who might be entitled to any fee or commission from the Company, Holdings or any of their Affiliates upon consummation of the transactions contemplated hereby.

Section 2.7 **Advisors.** The Selling Stockholders have had the opportunity to discuss with their advisors the consequences of the transactions contemplated herein.

Section 2.8 **Information and Risk.** Each Selling Stockholder is familiar with the business and operations of the Company and Holdings and has requested, received, reviewed and considered all information as it deems relevant in connection with the transactions contemplated by this Agreement. Each Selling Stockholder has had an opportunity to discuss the Company's and Holding's business, management, prospects and financial affairs and also had an opportunity to ask questions that were answered to such Selling Stockholder's satisfaction. Each Selling Stockholder further acknowledges that it has not relied on any advice or recommendation from the Company or Holdings in connection with the transactions contemplated by this Agreement.

Section 2.9 **No Additional Representations.** Except for the representations and warranties made by the Selling Stockholders in this Article II, neither the Selling Stockholders nor any other person makes any express or implied representation or warranty to the Company, Holdings or any of their Affiliates or representatives. In particular, without limiting the foregoing disclaimer, neither the Selling Stockholders nor any other person makes or

has made any representation or warranty to the Company, Holdings or any of their Affiliates or representatives except for the representations and warranties made by the Selling Stockholders in this [Article II](#).

ARTICLE III

[Representations and Warranties of the Company and Holdings](#)

The Company and Holdings severally, and not jointly, each represent and warrant to the Selling Stockholders, as of the date hereof and as of the Closing Date, as follows:

Section 3.1 [Status](#).

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(a) The Company is a corporation duly formed and validly existing under the laws of the State of Delaware.

(b) Holdings is a limited partnership duly formed and validly existing under the laws of the State of Delaware

Section 3.2 [Authorization and Authority](#).

(a) The Company and Holdings have all requisite corporate or limited partnership, as applicable, power and authority to execute and deliver this Agreement, to perform their respective obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Company and Holdings and the performance of the Company's and Holdings' respective obligations hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the Company and Holdings, subject to the satisfaction of the condition set forth in [Section 4.2\(c\)](#). The Company and Holdings each have duly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding obligation of each of the Company and Holdings, enforceable against each of the Company and Holdings in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium, receivership or similar Laws relating to or affecting creditors' rights generally and by general principles of equity (whether considered at law or in equity).

(b) The execution and delivery of this Agreement by the Company and Holdings and the performance of their respective obligations hereunder require no action by or in respect of, or filing with, any Governmental Authority other than any filings required to be made by the Company or Holdings under applicable securities Laws following the Closing.

Section 3.3 [Non-Contravention](#). The execution and delivery of this Agreement by the Company and Holdings and the performance of their respective obligations hereunder do not and will not (a) conflict with or result in any violation or breach of any provision of the Amended and Restated Certificate of Incorporation or Amended and Restated By-laws of the Company, the Second Amended and Restated Agreement of Limited Partnership of Holdings (as amended) or the Amended and Restated Certificate of Limited Partnership of Holdings, or the Company's Related Person Transaction Policy, (b) assuming compliance with the matters referred to in [Section 2.2\(b\)](#), conflict with or result in any violation or breach of any provision of any applicable Law, (c) materially conflict with or result in any violation or breach of, or require any consent of or other action by any Person under, any provision of any material agreement or other instrument to which the Company or Holdings is a party or (d) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under any mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or Holdings is a party or by which the Company or Holdings is bound or to which any of the property or assets of the Company or Holdings is subject.

Section 3.4 [Litigation](#). There is no Litigation pending against, or, to the Knowledge of the Company or Holdings, threatened against or affecting, the Company or Holdings before any

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court or arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

Section 3.5 Finders' Fees. There is no investment banker, broker, finder or other intermediary retained by or authorized to act on behalf of the Company, Holdings or any of their Affiliates who might be entitled to any fee or commission from the Selling Stockholders or any of their Affiliates upon consummation of the transactions contemplated hereby.

Section 3.6 No Additional Representations. Except for the representations and warranties made by the Company and Holdings in this Article III, none of the Company, Holdings or any other Person makes any express or implied representation or warranty to the Selling Stockholders, or any of their Affiliates or representatives. In particular, without limiting the foregoing disclaimer, each of the Selling Stockholders hereby agrees and acknowledges that none of the Company, Holdings or any other Person makes or has made any representation or warranty to the Selling Stockholders, or any of their Affiliates or representatives, and none of the Selling Stockholders or any of their Affiliates or representatives has relied on any representations or warranties in connection with this Agreement and the transactions contemplated hereby, except for the representations and warranties made by the Company and Holdings in this Article III.

ARTICLE IV

Conditions Precedent

Section 4.1 Conditions to Obligations of the Company, Holdings and the Selling Stockholders. The obligations of the Company, Holdings and the Selling Stockholders to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following conditions:

(a) **No Injunction, etc.** Consummation of the transactions contemplated hereby shall not have been restrained, enjoined or otherwise prohibited or made illegal by any applicable Law or Governmental Authority.

(b) **Consummation of Offering.** Consummation of the closing of the Offering by the Selling Stockholders.

Section 4.2 Conditions to Obligations of the Company and Holdings. The obligation of the Company and Holdings to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following additional conditions:

(a) **Representations; Performance.** The representations and warranties contained in Article II of this Agreement shall be true and correct in all material respects at and as of the date hereof and shall be true and correct in all material respects at and as of the Closing Date with the same effect as though made at and as of such time (provided that the representations and warranties contained in Section 3.1 shall be true and correct in all respects at and as of such times). The Selling Stockholders shall have in all material respects duly performed and complied with all agreements, covenants and conditions required by this

Agreement to be performed or complied with by the Selling Stockholders at or prior to the Closing.

(b) **Closing Certificate.** Each of the Selling Stockholders shall have delivered to the Company and Holdings a certificate, dated as of the Closing Date and signed by an authorized person of such Selling Stockholder, certifying to the effect that the conditions set forth in Section 4.2(a) have been satisfied.

(c) **Solvency Opinion.** The Audit Committee shall have determined that there have been no changes to the financial condition of Holdings and the Company that would materially adversely impact the applicability to the transactions contemplated by this Agreement of the solvency

opinion delivered to the Audit Committee and the Company, in its capacity as the general partner of Holdings, in connection with the purchase and redemption transactions effected on September 19, 2023 (the "September 2023 Transaction"), by a reputable and independent financial advisor to the effect that, immediately following the consummation of the September 2023 Transaction, (A) the fair value of the assets of the Company and Holdings would exceed their respective liabilities, (B) the Company and Holdings would not have unreasonably small capital with which to engage in their respective businesses and (C) the Company and Holdings would be able to satisfy their expected liabilities as they become due in the foreseeable future.

(d) No Material Adverse Effect. Since the date hereof, there shall not have occurred any Company Material Adverse Effect.

Section 4.3 Conditions to Obligations of the Selling Stockholders. The obligation of the Selling Stockholders to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following additional conditions:

(a) Representations; Performance. The representations and warranties contained in Article III of this Agreement shall be true and correct in all material respects at and as of the date hereof and shall be true and correct in all material respects at and as of the Closing Date with the same effect as though made at and as of such time. The Company and Holdings shall have in all material respects duly performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by the Company and Holdings at or prior to the Closing.

(b) Closing Certificate. The Company and Holdings shall each have delivered to the Selling Stockholders a certificate, dated as of the Closing Date and signed by an executive officer of the Company and Holdings, certifying to the effect that the conditions set forth in Section 4.3(a) have been satisfied.

(c) USRPHC Certificate. The Company shall have delivered to the Selling Stockholders a certificate meeting the requirements of Treasury Regulations Section 1.897-2(h) to the effect that the Company is not a "United States real property holding corporation" within the meaning of Section 897(c) of the Internal Revenue Code of 1986, as amended.

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ARTICLE V

Termination

Section 5.1 Termination. This Agreement may be terminated at any time prior to the Closing Date:

(a) by the mutual written agreement of the Company and the Selling Stockholders; or

(b) by either the Company, on the one hand, or the Selling Stockholders, on the other hand, by notice to the other, if (1) there shall be any Law that makes Closing or otherwise consummating the transactions contemplated hereby illegal or otherwise prohibited or (2) any judgment, injunction, order or decree of any Governmental Authority having competent jurisdiction enjoining the Company, Holdings, or the Selling Stockholders from Closing or otherwise consummating the transactions contemplated hereby is entered and such judgment, injunction, order or decree shall have become final and non-appealable.

In addition, this Agreement shall terminate automatically and be of no further force and effect, in the event that the commencement of the Offering has not been publicly announced within 3 Business Days after the date hereof.

Section 5.2 Effect of Termination. If this Agreement is terminated pursuant to Section 5.1, this Agreement shall become void and of no effect without liability of any party (or any of its Affiliates or any of their respective directors, officers, employees, partners, shareholders, advisors, attorneys-in-fact, representatives or agents) to any other party hereto, provided that no such termination shall relieve any party of liability for a willful and material breach of this Agreement prior to such termination. The provisions of this Section 5.2 and Article VI and Article VII shall survive any termination hereof pursuant to Section 5.1.

ARTICLE VI

Definitions

Section 6.1 Certain Terms. The following terms have the respective meanings given to them below:

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person (provided that neither the Company, Holdings or their subsidiaries, on the one hand, nor the Selling Stockholders or any of their other affiliates, on the other hand, shall be deemed Affiliates of the other for purposes of this Agreement).

“Business Day” means any day that is not (a) a Saturday, (b) a Sunday or (c) any other day on which commercial banks are authorized or required by law to be closed in the City of New York.

“Company Material Adverse Effect” means a material adverse effect on the financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, any court, tribunal or arbitrator and any self-regulatory organization.

“Knowledge” of any Person that is not an individual means the knowledge of any officer, director, general partner or manager of such Person or, in the case of an individual, the knowledge of such individual, in each case after reasonable inquiry.

“Laws” means all laws, statutes, ordinances, rules, regulations, judgments, injunctions, orders and decrees.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, lease, encumbrance or other adverse claim of any kind in respect of such property or asset.

“Litigation” means any action, cease and desist letter, demand, suit, arbitration proceeding, administrative or regulatory proceeding, citation, summons or subpoena of any nature, civil, criminal, regulatory or otherwise, in law or in equity.

“Person” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Related Person Transaction Policy” means the Related Person Transaction Policy of the Company, dated July 23, 2021.

ARTICLE VII

Miscellaneous

Section 7.1 Survival. The representations and warranties of the parties contained in this Agreement or in any certificate or other writing delivered pursuant hereto or in connection herewith shall terminate at the Closing.

Section 7.2 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission) and shall be given:

if to the Company or Holdings,

Core & Main, Inc.
1830 Craig Park Court
St. Louis, Missouri 63146
Attention: Mark Whittenburg, General Counsel & Secretary
E-mail: Mark.Whittenburg@coreandmain.com if to the Selling Stockholders,

c/o Clayton, Dubilier & Rice, LLC
375 Park Avenue, 18th Floor
New York, NY 10152
Attention: Rima Simson
E-mail: RSimson@cdr-inc.com

or such other address or e-mail address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 7.3 Amendment; Waivers, etc. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. Neither the waiver by any of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. The rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any party may otherwise have at law or in equity.

Section 7.4 Expenses. All costs, fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby, whether or not consummated, shall be paid by the party incurring such cost or expense.

Section 7.5 Governing Law, etc.

(a) THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICT OF LAWS, TO THE EXTENT SUCH PRINCIPLES OR RULES ARE

NOT MANDATORILY APPLICABLE BY STATUTE AND WOULD PERMIT OR REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION. EACH OF THE PARTIES HERETO AGREES THAT THIS AGREEMENT INVOLVES AT LEAST U.S. \$100,000.00 AND THAT THIS AGREEMENT HAS BEEN ENTERED INTO IN EXPRESS RELIANCE UPON 6 Del. C. § 2708. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES (i) TO BE SUBJECT TO THE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE AND OF THE FEDERAL COURTS SITTING IN THE STATE OF DELAWARE, AND (ii)(A) TO THE EXTENT SUCH PARTY IS NOT OTHERWISE SUBJECT TO SERVICE OF PROCESS IN THE STATE OF DELAWARE, TO APPOINT AND MAINTAIN AN AGENT IN THE STATE OF DELAWARE AS SUCH PARTY'S AGENT FOR ACCEPTANCE OF LEGAL PROCESS AND TO NOTIFY THE OTHER PARTIES OF THE NAME AND ADDRESS OF SUCH AGENT, AND (B) THAT, TO THE FULLEST EXTENT PERMITTED BY LAW, SERVICE OF PROCESS MAY ALSO BE MADE ON SUCH PARTY BY PREPAID CERTIFIED MAIL WITH A VALIDATED PROOF OF MAILING RECEIPT CONSTITUTING EVIDENCE OF VALID SERVICE, AND THAT SERVICE MADE PURSUANT TO (ii)(A) OR (B) ABOVE SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, HAVE THE SAME LEGAL

FORCE AND EFFECT AS IF SERVED UPON SUCH PARTY PERSONALLY WITHIN THE STATE OF DELAWARE. The Company, Holdings and the Selling Stockholders hereby irrevocably submit to the jurisdiction of the Court of Chancery of the State of Delaware (or, solely to the extent that the Court of Chancery lacks jurisdiction, each other state court of the State of Delaware and the federal courts of the United States of America located in the State of Delaware) solely in respect of the interpretation and enforcement of the provisions of this Agreement and of the documents referred to in this Agreement and in respect of the transactions contemplated hereby. Each of the Company, Holdings and the Selling Stockholders irrevocably agrees that all claims in respect of the interpretation and enforcement of the provisions of this Agreement and in respect of the transactions contemplated hereby, or with respect to any such action or proceeding, shall be heard and determined in the Court of Chancery of the State of Delaware (or, solely to the extent that the Court of Chancery lacks jurisdiction, any other Delaware State court or federal court located in the State of Delaware), and that such jurisdiction of such courts with respect thereto shall be exclusive, except solely to the extent that all such courts shall lawfully decline to exercise such jurisdiction. Each of the Company, Holdings and the Selling Stockholders hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that it is not subject to such jurisdiction. Each of the Company, Holdings and the Selling Stockholders hereby waives, and agrees not to assert, to the maximum extent permitted by law, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts so long as such action, suit or proceeding is brought in accordance with this Section 7.5. The Company, Holdings and the Selling Stockholders hereby consent to and grant any such court jurisdiction over such parties and over the subject matter of any such dispute brought in accordance with this Section 7.5 and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in this Section 7.5 or in Section 7.2 or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

(b) EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 7.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, successors and permitted assigns; provided that this Agreement shall not be assignable or otherwise transferable by either party without the prior written consent of the other party.

Section 7.7 Further Assurances. The Company, Holdings and the Selling Stockholders shall execute and deliver such additional instruments, documents, conveyances or assurances and take such other actions as shall be necessary to confirm and assure the rights and obligations provided for in this Agreement and render effective the consummation of the transactions contemplated hereby, or otherwise to carry out the intent and purposes of this Agreement.

Section 7.8 Entire Agreement. This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

Section 7.9 Severability. If any provision, including any phrase, sentence, clause, section or subsection, of this Agreement is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering such provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision herein contained invalid, inoperative or unenforceable to any extent whatsoever. Upon any such determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 7.10 Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. This Agreement shall become effective when each party shall have received a counterpart hereof signed by the other party. Until and unless each party has received a counterpart hereof signed by the other party, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 7.11 Specific Performance; Limitation on Liability. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof, in addition to any other remedy at law or in equity. The parties hereby waive, in any action for specific performance, the defense of adequacy of a remedy at law and the posting of any bond or other security in connection therewith.

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[Signature page follows]

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IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

CD&R WATERWORKS HOLDINGS, LLC

By: CD&R Waterworks Holdings, L.P.,
its manager

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X ADVISOR WATERWORKS B, L.P.

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X WATERWORKS B1, L.P.

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X-A WATERWORKS B, L.P.
By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

[Signature Page to Purchase and Redemption Agreement]

CORE & MAIN, INC.

By: /s/ Stephen O. LeClair
Name: Stephen O. LeClair
Title: Chief Executive Officer

CORE & MAIN HOLDINGS, LP
By: Core & Main, Inc.,
its general partner

By: /s/ Stephen O. LeClair
Name: Stephen O. LeClair
Title: Chief Executive Officer

[Signature Page to Purchase and Redemption Agreement]

EXHIBIT 10.33

PURCHASE AND REDEMPTION AGREEMENT
by and among
CORE & MAIN, INC.,
CORE & MAIN HOLDINGS, LP,
CD&R FUND X ADVISOR WATERWORKS B, L.P.,
CD&R FUND X WATERWORKS B1, L.P.,
CD&R FUND X-A WATERWORKS B, L.P. AND
CD&R WATERWORKS HOLDINGS, LLC

Dated as of January 21, 2024

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PURCHASE AND REDEMPTION AGREEMENT

This PURCHASE AND REDEMPTION AGREEMENT, dated as of January 21, 2024 (this “Agreement”), is made by and among Core & Main, Inc., a Delaware corporation (the “Company”), Core & Main Holdings, LP, a Delaware limited partnership (“Holdings”), CD&R Fund X Advisor Waterworks B, L.P., a Cayman Islands exempted limited partnership (“Fund X Advisor”), CD&R Fund X Waterworks B1, L.P., a Cayman Islands exempted limited partnership (“Fund X Waterworks B1”), CD&R Fund X-A Waterworks B, L.P., a Cayman Islands exempted limited partnership (“Fund X-A,” and collectively with Fund X Advisor and Fund X Waterworks B1, the “Class A Selling Stockholders”) and CD&R Waterworks Holdings, LLC, a Delaware limited liability company (the “Paired Interest Selling Stockholder,” and collectively with the Class A Selling Stockholders, the “Selling Stockholders”). Capitalized terms used herein shall have the meanings assigned to such terms in the text of this Agreement or in Section 6.1.

RECITALS:

WHEREAS, concurrently with the Closing (as defined below), the Selling Stockholders intend to sell shares of the Company’s Class A common stock, par value \$0.01 per share (“Class A Common Stock”) in an underwritten registered offering (the “Offering”);

WHEREAS, as of the date hereof (with respect to clauses (i)-(iv) below) and as of January 19, 2024 (with respect to clause (v) below), (i) Fund X Advisor is the record and beneficial owner of 94,386 issued and outstanding shares of Class A Common Stock, (ii) Fund X Waterworks B1 is the record and beneficial owner of 14,126,996 issued and outstanding shares of Class A Common Stock, (iii) Fund X-A is the record and beneficial owner of 1,271,029 issued and outstanding shares of Class A Common Stock, (iv) the Paired Interest Selling Stockholder is the record and beneficial owner of 9,289,676 issued and outstanding shares of the Company’s Class B common stock, par value \$0.01 per share (“Class B Common Stock”), and a corresponding number of limited partner interests of Holdings (“Partnership Interests”), and (v) the Company is the record and beneficial owner of 187,373,460 Partnership Interests;

WHEREAS, Holdings wishes to redeem up to or equal to 3,125,728 Partnership Interests held by the Company (the “Company Partnership Interests”) and up to or equal to 1,874,272 Partnership Interests held by the Paired Interest Selling Stockholder (the “Selling Stockholder Partnership Interests”), for a price per Partnership Interest equal to the same price per share paid by the underwriter(s) to the Selling Stockholders in the Offering (the “Per Partnership Interest Price”), in an aggregate amount up to or equal to 5,000,000 times the Per Partnership Interest Price (the “Redemption Amount”), subject to the terms and conditions set forth herein (collectively, such redeemed Company Partnership Interests and Selling Stockholder Partnership Interests, the “Redeemed Partnership Interests” and such redemptions, the “Redemption”);

WHEREAS, concurrent with the Redemption, the Paired Interest Selling Stockholder wishes, for no additional consideration, to convey, assign and transfer to the Company, and the Company wishes, for no additional consideration, to acquire and accept from the Paired Interest Selling Stockholder, a number of shares of Class B Common Stock equal to the number of Selling Stockholder Partnership Interests, subject to the terms and conditions set forth herein (such shares of Class B Common Stock, the "Transferred Class B Shares");

WHEREAS, subject to, and immediately following, the Redemption, Fund X Advisor, Fund X Waterworks B1 and Fund X-A wish to sell, convey, assign and transfer to the Company, and the Company wishes to purchase, acquire and accept from such Class A Selling Stockholders, on the terms and conditions set forth in this Agreement, up to or equal to 19,043, 2,850,243 and 256,422 shares of Class A Common Stock, respectively, in each case for a price per share equal to the same price per share paid by the underwriter(s) to the Selling Stockholders in the Offering (the "Per Share Price") in an aggregate amount up to or equal to 3,125,728 times the Per Share Price (the "Purchase Amount"), subject to the terms and conditions set forth herein (collectively, such shares of Class A Common Stock, the "Purchased Class A Shares"); and

WHEREAS, each of the Selling Stockholders, the Audit Committee of the board of directors of the Company (the "Audit Committee") and the general partner of Holdings have duly approved the form of this Agreement.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I

Redemption of Partnership Interests; Transfer, Sale and Purchase of Shares

Section 1.1 Redemption of Partnership Interests. Subject to the terms and conditions hereof, at the Closing, the Company and the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to Holdings, and Holdings shall acquire and accept from each of the Company and the Paired Interest Selling Stockholder, free and clear of all Liens (other than any Liens under applicable securities Laws), the Company Partnership Interests and the Selling Stockholder Partnership Interests, respectively, at the Per Partnership Interest Price for an aggregate amount in cash equal to the Redemption Amount.

Section 1.2 Transfer of Class B Shares. Subject to the terms and conditions hereof, and concurrent with the Redemption, at the Closing, the Paired Interest Selling Stockholder shall convey, assign and transfer the Transferred Class B Shares to the Company, and the Company shall acquire and accept from the Paired Interest Selling Stockholder, free and clear of all Liens (other than any Liens under applicable securities Laws), the Transferred Class B Shares for no additional consideration.

Section 1.3 Sale and Purchase of Purchased Class A Shares. Subject to the terms and conditions hereof, and subject to, and immediately following, the Redemption, at the Closing, the Class A Selling Stockholders shall sell, convey, assign and transfer the Purchased Class A Shares to the Company, and the Company shall purchase, acquire and accept from the Class A Selling Stockholders, free and clear of all Liens (other than any Liens under applicable securities Laws), the Purchased Class A Shares at the Per Share Price for an aggregate amount in cash equal to the Purchase Amount.

Section 1.4 Closing.

(a) Closing Date. The closing of (i) the Redemption, (ii) the transfer of the Transferred Class B Shares and (iii) the sale and purchase of the Purchased Class A Shares

(the “Closing”) shall take place at the offices of Debevoise & Plimpton LLP, 66 Hudson Boulevard, New York, New York 10001, at 10:00 a.m. on the date that is two (2) Business Days after the conditions set forth in Article IV have been satisfied or waived (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions at such time), unless another time, date or place is agreed to in writing by the Company, Holdings and the Selling Stockholders. The date on which the Closing actually occurs is referred to hereinafter as the “Closing Date”.

(b) Closing Deliverables. At the Closing:

(1) the Company and the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to Holdings, free and clear of any Liens (other than any Liens under applicable securities Laws), the Redeemed Partnership Interests, and Holdings shall pay to the Company and the Paired Interest Selling Stockholder, by wire transfer of immediately available funds to accounts designated by each of the Company and the Paired Interest Selling Stockholder at least two Business Days prior to the Closing Date, an amount equal to the Redemption Amount;

(2) the Paired Interest Selling Stockholder shall convey, assign, transfer and deliver to the Company, free and clear of any Liens (other than any Liens under applicable securities Laws), the Transferred Class B Shares for no additional consideration; and

(3) the Class A Selling Stockholders shall convey, assign, transfer and deliver to the Company, free and clear of any Liens (other than any Liens under applicable securities Laws), the Purchased Class A Shares, and the Company shall pay to the Class A Selling Stockholders, by wire transfer of immediately available funds to accounts designated in writing by the Class A Selling Stockholders at least two Business Days prior to the Closing Date, an amount equal to the Purchase Amount.

ARTICLE II

Representations and Warranties of the Selling Stockholders

Each of the Selling Stockholders severally, and not jointly, represents and warrants to the Company and Holdings, as of the date hereof and as of the Closing Date, as follows:

Section 2.1 Status.

(a) Each of the Class A Selling Stockholders is an exempted limited partnership duly formed and validly existing under the laws of the Cayman Islands.

(b) The Paired Interest Selling Stockholder is a limited liability company duly formed and validly existing under the laws of the State of Delaware.

Section 2.2 Authorization and Authority.

(a) Each of the Selling Stockholders have all requisite exempted limited partnership or limited liability company, as applicable, power and authority to execute and deliver this Agreement, to perform their respective obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Selling Stockholders and the performance of the Selling Stockholders' respective obligations hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the Selling Stockholders. Each of the Selling Stockholders has duly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding obligation of each of the Selling Stockholders, enforceable against each of the Selling Stockholders in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium, receivership or similar Laws relating to or affecting creditors' rights generally and by general principles of equity (whether considered at law or in equity).

(b) The execution and delivery of this Agreement by the Selling Stockholders and the performance of their respective obligations hereunder require no action by or in respect of, or filing with, any Governmental Authority other than any filings required to be made by the Selling Stockholders under applicable securities Laws following the Closing.

Section 2.3 Non-Contravention. The execution and delivery of this Agreement by the Selling Stockholders and the performance of their respective obligations hereunder do not and will not (a) conflict with or result in any violation or breach of any provision of their organizational documents, (b) assuming compliance with the matters referred to in [Section 2.2\(b\)](#), conflict with or result in any violation or breach of any provision of any applicable Law, (c) require any consent of or other action by any Person under any provision of any material agreement or other instrument to which any Selling Stockholder is a party or (d) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under any mortgage, deed of trust, loan agreement or other agreement or instrument to which any Selling Stockholder is a party or by which any Selling Stockholder is bound or to which any of the property or assets of any Selling Stockholder is subject.

Section 2.4 Title to Shares and Partnership Interests. Immediately prior to the Closing, (a) the Paired Interest Selling Stockholder will be the beneficial or record holder of the Selling Stockholder Partnership Interests with full dispositive power thereover, (b) the Paired Interest Selling Stockholder will be the beneficial or record holder of the Transferred Class B Shares with full dispositive power thereover and (c) the Class A Selling Stockholders will be the beneficial or record holder of the Purchased Class A Shares with full dispositive power thereover, and each of the Paired Interest Selling Stockholder and the Class A Selling Stockholders holds, and will hold, such Selling Stockholder Partnership Interests, Transferred Class B Shares and Purchased Class A Shares, as applicable, free and clear of all Liens, encumbrances, equities or claims; and, upon delivery of such Transferred Class B Shares and Purchased Class A Shares and payment therefor pursuant hereto, if applicable, assuming that the Company or Holdings have no notice of any adverse claims (within the meaning of Section 8-105 of the New York Uniform Commercial Code as in effect in the State of New York from time to time (the "UCC")) to such Transferred Class B Shares and Purchased Class A Shares, the Company and Holdings, as applicable, will acquire a valid security entitlement (within the

meaning of Section 8-102(a)(17) of the UCC) to such Transferred Class B Shares and Purchased Class A Shares acquired by the Company and Holdings, as applicable, and no action (whether framed in conversion, replevin, constructive trust, equitable lien or other theory) based on an adverse claim (within the meaning of Section 8-105 of the UCC) to such security entitlement may be asserted against the Company or Holdings.

Section 2.5 Litigation. There is no Litigation pending against, or, to the Knowledge of the Selling Stockholders, threatened against or affecting, the Selling Stockholders before any court or arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

Section 2.6 Finders' Fees. There is no investment banker, broker, finder or other intermediary retained by or authorized to act on behalf of the Selling Stockholders or any of their Affiliates who might be entitled to any fee or commission from the Company, Holdings or any of their Affiliates upon consummation of the transactions contemplated hereby.

Section 2.7 Advisors. The Selling Stockholders have had the opportunity to discuss with their advisors the consequences of the transactions contemplated herein.

Section 2.8 Information and Risk. Each Selling Stockholder is familiar with the business and operations of the Company and Holdings and has requested, received, reviewed and considered all information as it deems relevant in connection with the transactions contemplated by this Agreement. Each Selling Stockholder has had an opportunity to discuss the Company's and Holding's business, management, prospects and financial affairs and also had an opportunity to ask questions that were answered to such Selling Stockholder's satisfaction. Each Selling Stockholder further acknowledges that it has not relied on any advice or recommendation from the Company or Holdings in connection with the transactions contemplated by this Agreement.

Section 2.9 No Additional Representations. Except for the representations and warranties made by the Selling Stockholders in this [Article II](#), neither the Selling Stockholders nor any other person makes any express or implied representation or warranty to the Company, Holdings or any of their Affiliates or representatives. In particular, without limiting the foregoing disclaimer, neither the Selling Stockholders nor any other person makes or

has made any representation or warranty to the Company, Holdings or any of their Affiliates or representatives except for the representations and warranties made by the Selling Stockholders in this [Article II](#).

ARTICLE III

[Representations and Warranties of the Company and Holdings](#)

The Company and Holdings severally, and not jointly, each represent and warrant to the Selling Stockholders, as of the date hereof and as of the Closing Date, as follows:

Section 3.1 [Status](#).

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(a) The Company is a corporation duly formed and validly existing under the laws of the State of Delaware.

(b) Holdings is a limited partnership duly formed and validly existing under the laws of the State of Delaware

Section 3.2 [Authorization and Authority](#).

(a) The Company and Holdings have all requisite corporate or limited partnership, as applicable, power and authority to execute and deliver this Agreement, to perform their respective obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Company and Holdings and the performance of the Company's and Holdings' respective obligations hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action of the Company and Holdings, subject to the satisfaction of the condition set forth in [Section 4.2\(c\)](#). The Company and Holdings each have duly executed and delivered this Agreement. This Agreement constitutes the legal, valid and binding obligation of each of the Company and Holdings, enforceable against each of the Company and Holdings in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium, receivership or similar Laws relating to or affecting creditors' rights generally and by general principles of equity (whether considered at law or in equity).

(b) The execution and delivery of this Agreement by the Company and Holdings and the performance of their respective obligations hereunder require no action by or in respect of, or filing with, any Governmental Authority other than any filings required to be made by the Company or Holdings under applicable securities Laws following the Closing.

Section 3.3 [Non-Contravention](#). The execution and delivery of this Agreement by the Company and Holdings and the performance of their respective obligations hereunder do not and will not (a) conflict with or result in any violation or breach of any provision of the Amended and Restated Certificate of Incorporation or Amended and Restated By-laws of the Company, the Second Amended and Restated Agreement of Limited Partnership of Holdings (as amended) or the Amended and Restated Certificate of Limited Partnership of Holdings, or the Company's Related Person Transaction Policy, (b) assuming compliance with the matters referred to in [Section 2.2\(b\)](#), conflict with or result in any violation or breach of any provision of any applicable Law, (c) materially conflict with or result in any violation or breach of, or require any consent of or other action by any Person under, any provision of any material agreement or other instrument to which the Company or Holdings is a party or (d) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under any mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or Holdings is a party or by which the Company or Holdings is bound or to which any of the property or assets of the Company or Holdings is subject.

Section 3.4 [Litigation](#). There is no Litigation pending against, or, to the Knowledge of the Company or Holdings, threatened against or affecting, the Company or Holdings before any

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court or arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

Section 3.5 Finders' Fees. There is no investment banker, broker, finder or other intermediary retained by or authorized to act on behalf of the Company, Holdings or any of their Affiliates who might be entitled to any fee or commission from the Selling Stockholders or any of their Affiliates upon consummation of the transactions contemplated hereby.

Section 3.6 No Additional Representations. Except for the representations and warranties made by the Company and Holdings in this Article III, none of the Company, Holdings or any other Person makes any express or implied representation or warranty to the Selling Stockholders, or any of their Affiliates or representatives. In particular, without limiting the foregoing disclaimer, each of the Selling Stockholders hereby agrees and acknowledges that none of the Company, Holdings or any other Person makes or has made any representation or warranty to the Selling Stockholders, or any of their Affiliates or representatives, and none of the Selling Stockholders or any of their Affiliates or representatives has relied on any representations or warranties in connection with this Agreement and the transactions contemplated hereby, except for the representations and warranties made by the Company and Holdings in this Article III.

ARTICLE IV

Conditions Precedent

Section 4.1 Conditions to Obligations of the Company, Holdings and the Selling Stockholders. The obligations of the Company, Holdings and the Selling Stockholders to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following conditions:

(a) **No Injunction, etc.** Consummation of the transactions contemplated hereby shall not have been restrained, enjoined or otherwise prohibited or made illegal by any applicable Law or Governmental Authority.

(b) **Consummation of Offering.** Consummation of the closing of the Offering by the Selling Stockholders.

Section 4.2 Conditions to Obligations of the Company and Holdings. The obligation of the Company and Holdings to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following additional conditions:

(a) **Representations; Performance.** The representations and warranties contained in Article II of this Agreement shall be true and correct in all material respects at and as of the date hereof and shall be true and correct in all material respects at and as of the Closing Date with the same effect as though made at and as of such time (provided that the representations and warranties contained in Section 3.1 shall be true and correct in all respects at and as of such times). The Selling Stockholders shall have in all material respects duly performed and complied with all agreements, covenants and conditions required by this

Agreement to be performed or complied with by the Selling Stockholders at or prior to the Closing.

(b) **Closing Certificate.** Each of the Selling Stockholders shall have delivered to the Company and Holdings a certificate, dated as of the Closing Date and signed by an authorized person of such Selling Stockholder, certifying to the effect that the conditions set forth in Section 4.2(a) have been satisfied.

(c) **Solvency Opinion.** The Audit Committee shall have determined that there have been no changes to the financial condition of Holdings and the Company that would materially adversely impact the applicability to the transactions contemplated by this Agreement of the solvency

opinion delivered to the Audit Committee and the Company, in its capacity as the general partner of Holdings, in connection with the purchase and redemption transactions effected on September 19, 2023 (the "September 2023 Transaction"), by a reputable and independent financial advisor to the effect that, immediately following the consummation of the September 2023 Transaction, (A) the fair value of the assets of the Company and Holdings would exceed their respective liabilities, (B) the Company and Holdings would not have unreasonably small capital with which to engage in their respective businesses and (C) the Company and Holdings would be able to satisfy their expected liabilities as they become due in the foreseeable future.

(d) No Material Adverse Effect. Since the date hereof, there shall not have occurred any Company Material Adverse Effect.

Section 4.3 Conditions to Obligations of the Selling Stockholders. The obligation of the Selling Stockholders to consummate the transactions contemplated hereby shall be subject to the fulfillment at or prior to the Closing of the following additional conditions:

(a) Representations; Performance. The representations and warranties contained in Article III of this Agreement shall be true and correct in all material respects at and as of the date hereof and shall be true and correct in all material respects at and as of the Closing Date with the same effect as though made at and as of such time. The Company and Holdings shall have in all material respects duly performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by the Company and Holdings at or prior to the Closing.

(b) Closing Certificate. The Company and Holdings shall each have delivered to the Selling Stockholders a certificate, dated as of the Closing Date and signed by an executive officer of the Company and Holdings, certifying to the effect that the conditions set forth in Section 4.3(a) have been satisfied.

(c) USRPHC Certificate. The Company shall have delivered to the Selling Stockholders a certificate meeting the requirements of Treasury Regulations Section 1.897-2(h) to the effect that the Company is not a "United States real property holding corporation" within the meaning of Section 897(c) of the Internal Revenue Code of 1986, as amended.

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ARTICLE V

Termination

Section 5.1 Termination. This Agreement may be terminated at any time prior to the Closing Date:

(a) by the mutual written agreement of the Company and the Selling Stockholders; or

(b) by either the Company, on the one hand, or the Selling Stockholders, on the other hand, by notice to the other, if (1) there shall be any Law that makes Closing or otherwise consummating the transactions contemplated hereby illegal or otherwise prohibited or (2) any judgment, injunction, order or decree of any Governmental Authority having competent jurisdiction enjoining the Company, Holdings, or the Selling Stockholders from Closing or otherwise consummating the transactions contemplated hereby is entered and such judgment, injunction, order or decree shall have become final and non-appealable.

In addition, this Agreement shall terminate automatically and be of no further force and effect, in the event that the commencement of the Offering has not been publicly announced within 3 Business Days after the date hereof.

Section 5.2 Effect of Termination. If this Agreement is terminated pursuant to Section 5.1, this Agreement shall become void and of no effect without liability of any party (or any of its Affiliates or any of their respective directors, officers, employees, partners, shareholders, advisors, attorneys-in-fact, representatives or agents) to any other party hereto, provided that no such termination shall relieve any party of liability for a willful and material breach of this Agreement prior to such termination. The provisions of this Section 5.2 and Article VI and Article VII shall survive any termination hereof pursuant to Section 5.1.

ARTICLE VI

Definitions

Section 6.1 Certain Terms. The following terms have the respective meanings given to them below:

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person (provided that neither the Company, Holdings or their subsidiaries, on the one hand, nor the Selling Stockholders or any of their other affiliates, on the other hand, shall be deemed Affiliates of the other for purposes of this Agreement).

“Business Day” means any day that is not (a) a Saturday, (b) a Sunday or (c) any other day on which commercial banks are authorized or required by law to be closed in the City of New York.

“Company Material Adverse Effect” means a material adverse effect on the financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, any court, tribunal or arbitrator and any self-regulatory organization.

“Knowledge” of any Person that is not an individual means the knowledge of any officer, director, general partner or manager of such Person or, in the case of an individual, the knowledge of such individual, in each case after reasonable inquiry.

“Laws” means all laws, statutes, ordinances, rules, regulations, judgments, injunctions, orders and decrees.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, lease, encumbrance or other adverse claim of any kind in respect of such property or asset.

“Litigation” means any action, cease and desist letter, demand, suit, arbitration proceeding, administrative or regulatory proceeding, citation, summons or subpoena of any nature, civil, criminal, regulatory or otherwise, in law or in equity.

“Person” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Related Person Transaction Policy” means the Related Person Transaction Policy of the Company, dated July 23, 2021.

ARTICLE VII

Miscellaneous

Section 7.1 Survival. The representations and warranties of the parties contained in this Agreement or in any certificate or other writing delivered pursuant hereto or in connection herewith shall terminate at the Closing.

Section 7.2 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission) and shall be given:

if to the Company or Holdings,

Core & Main, Inc.
1830 Craig Park Court
St. Louis, Missouri 63146
Attention: Mark Whittenburg, General Counsel & Secretary
E-mail: Mark.Whittenburg@coreandmain.com if to the Selling Stockholders,

c/o Clayton, Dubilier & Rice, LLC
375 Park Avenue, 18th Floor
New York, NY 10152
Attention: Rima Simson
E-mail: RSimson@cdr-inc.com

or such other address or e-mail address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 7.3 Amendment; Waivers, etc. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. Neither the waiver by any of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. The rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any party may otherwise have at law or in equity.

Section 7.4 Expenses. All costs, fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby, whether or not consummated, shall be paid by the party incurring such cost or expense.

Section 7.5 Governing Law, etc.

(a) THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICT OF LAWS, TO THE EXTENT SUCH PRINCIPLES OR RULES ARE

NOT MANDATORILY APPLICABLE BY STATUTE AND WOULD PERMIT OR REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION. EACH OF THE PARTIES HERETO AGREES THAT THIS AGREEMENT INVOLVES AT LEAST U.S. \$100,000.00 AND THAT THIS AGREEMENT HAS BEEN ENTERED INTO IN EXPRESS RELIANCE UPON 6 Del. C. § 2708. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES (i) TO BE SUBJECT TO THE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE AND OF THE FEDERAL COURTS SITTING IN THE STATE OF DELAWARE, AND (ii)(A) TO THE EXTENT SUCH PARTY IS NOT OTHERWISE SUBJECT TO SERVICE OF PROCESS IN THE STATE OF DELAWARE, TO APPOINT AND MAINTAIN AN AGENT IN THE STATE OF DELAWARE AS SUCH PARTY'S AGENT FOR ACCEPTANCE OF LEGAL PROCESS AND TO NOTIFY THE OTHER PARTIES OF THE NAME AND ADDRESS OF SUCH AGENT, AND (B) THAT, TO THE FULLEST EXTENT PERMITTED BY LAW, SERVICE OF PROCESS MAY ALSO BE MADE ON SUCH PARTY BY PREPAID CERTIFIED MAIL WITH A VALIDATED PROOF OF MAILING RECEIPT CONSTITUTING EVIDENCE OF VALID SERVICE, AND THAT SERVICE MADE PURSUANT TO (ii)(A) OR (B) ABOVE SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, HAVE THE SAME LEGAL

FORCE AND EFFECT AS IF SERVED UPON SUCH PARTY PERSONALLY WITHIN THE STATE OF DELAWARE. The Company, Holdings and the Selling Stockholders hereby irrevocably submit to the jurisdiction of the Court of Chancery of the State of Delaware (or, solely to the extent that the Court of Chancery lacks jurisdiction, each other state court of the State of Delaware and the federal courts of the United States of America located in the State of Delaware) solely in respect of the interpretation and enforcement of the provisions of this Agreement and of the documents referred to in this Agreement and in respect of the transactions contemplated hereby. Each of the Company, Holdings and the Selling Stockholders irrevocably agrees that all claims in respect of the interpretation and enforcement of the provisions of this Agreement and in respect of the transactions contemplated hereby, or with respect to any such action or proceeding, shall be heard and determined in the Court of Chancery of the State of Delaware (or, solely to the extent that the Court of Chancery lacks jurisdiction, any other Delaware State court or federal court located in the State of Delaware), and that such jurisdiction of such courts with respect thereto shall be exclusive, except solely to the extent that all such courts shall lawfully decline to exercise such jurisdiction. Each of the Company, Holdings and the Selling Stockholders hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that it is not subject to such jurisdiction. Each of the Company, Holdings and the Selling Stockholders hereby waives, and agrees not to assert, to the maximum extent permitted by law, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts so long as such action, suit or proceeding is brought in accordance with this [Section 7.5](#). The Company, Holdings and the Selling Stockholders hereby consent to and grant any such court jurisdiction over such parties and over the subject matter of any such dispute brought in accordance with this [Section 7.5](#) and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in this [Section 7.5](#) or in [Section 7.2](#) or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

(b) EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 7.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties, and their respective heirs, successors and permitted assigns; provided that this Agreement shall not be assignable or otherwise transferable by either party without the prior written consent of the other party.

Section 7.7 Further Assurances. The Company, Holdings and the Selling Stockholders shall execute and deliver such additional instruments, documents, conveyances or assurances and take such other actions as shall be necessary to confirm and assure the rights and obligations provided for in this Agreement and render effective the consummation of the transactions contemplated hereby, or otherwise to carry out the intent and purposes of this Agreement.

Section 7.8 Entire Agreement. This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

Section 7.9 Severability. If any provision, including any phrase, sentence, clause, section or subsection, of this Agreement is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering such provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision herein contained invalid, inoperative or unenforceable to any extent whatsoever. Upon any such determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 7.10 Counterparts; Effectiveness; Third Party Beneficiaries. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. This Agreement shall become effective when each party shall have received a counterpart hereof signed by the other party. Until and unless each party has received a counterpart hereof signed by the other party, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 7.11 Specific Performance; Limitation on Liability. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof, in addition to any other remedy at law or in equity. The parties hereby waive, in any action for specific performance, the defense of adequacy of a remedy at law and the posting of any bond or other security in connection therewith.

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[Signature page follows]

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IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

CD&R WATERWORKS HOLDINGS, LLC

By: CD&R Waterworks Holdings, L.P.,
its manager

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

CD&R FUND X ADVISOR WATERWORKS B, L.P.

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson

Name: Rima Simson

Title: Vice President, Treasurer and Secretary

CD&R FUND X WATERWORKS B1, L.P.

By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

CD&R FUND X-A WATERWORKS B, L.P.
By: CD&R Waterworks Holdings GP, Ltd.,
its general partner

By: /s/ Rima Simson
Name: Rima Simson
Title: Vice President, Treasurer and Secretary

[Signature Page to Purchase and Redemption Agreement]

CORE & MAIN, INC.

By: /s/ Stephen O. LeClair
Name: Stephen O. LeClair
Title: Chief Executive Officer

CORE & MAIN HOLDINGS, LP
By: Core & Main, Inc.,
its general partner

By: /s/ Stephen O. LeClair
Name: Stephen O. LeClair
Title: Chief Executive Officer

[Signature Page to Purchase and Redemption Agreement]

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-258128) and in the Registration Statement on Form S-3 (No. 333-267437) of Core & Main, Inc. of our report dated **March 28, 2023** March 19, 2024 relating to the financial statements and **the effectiveness of internal control over financial statement schedules, reporting**, which appears in this Form 10-K.

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Stephen O. LeClair, certify that:

1. I have reviewed this annual report on Form 10-K of Core & Main, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d- 15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 28, 2023 March 19, 2024

/s/ Stephen O. LeClair

Stephen O. LeClair
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark R. Witkowski, certify that:

1. I have reviewed this annual report on Form 10-K of Core & Main, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **March 28, 2023** **March 19, 2024**

/s/ Mark R. Witkowski

Mark R. Witkowski

Chief Financial Officer

(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Core & Main, Inc. (the "Company") on Form 10-K for the fiscal year ended **January 29, 2023** **January 28, 2024** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen O. LeClair, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as

adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 28, 2023 March 19, 2024

/s/ Stephen O. LeClair
Stephen O. LeClair
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Core & Main, Inc. (the "Company") on Form 10-K for the fiscal year ended January 29, 2023 January 28, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark R. Witkowski, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 28, 2023 March 19, 2024

/s/ Mark R. Witkowski
Mark R. Witkowski
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 97.1

CORE & MAIN, INC.

Dodd-Frank Clawback Policy

As Adopted on December 1, 2023 by the Board of Directors

The Board of Directors (the "Board") of Core & Main, Inc. (the "Company") hereby adopts this Dodd-Frank Clawback Policy (the "Policy"), which provides for the recovery of certain incentive compensation in the event of an Accounting Restatement (as defined below). This Policy is designed to comply, and shall be interpreted to be consistent, with the Applicable Rules (as defined below).

1. Administration

Except as specifically set forth herein, this Policy shall be administered by the Compensation and Talent Committee of the Board (the “Administrator”). The Administrator is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. Any determinations made by the Administrator shall be final and binding on all affected individuals and need not be uniform with respect to each individual covered by the Policy. In the administration of this Policy, the Administrator is authorized to consult with the full Board or such other committees of the Board as may be necessary or appropriate as to matters with the scope of such other committee’s responsibility and authority. Subject to any limitation of applicable law, the Administrator may authorize and empower any officer or employee of the Company to take any and all actions necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee).

2. Definitions.

Accounting Restatement

As defined by the Applicable Rules, an accounting restatement of the Company’s financial statements due to the Company’s material noncompliance with any financial reporting requirement under the securities laws, including any required restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

Applicable Period

The three completed fiscal years immediately preceding the date on which the Company is required to prepare an Accounting Restatement, as well as any transition period (that results from change in the Company’s fiscal year) within or immediately following those three completed fiscal years (except that a transition period that comprises a period of at least nine months shall count as a completed fiscal year). The “date on which the Company is required to prepare an Accounting Restatement” is the earlier to occur of (a) the date the Audit Committee of the Board concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (b) the date a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement, in each case regardless of whether the restated financial statements are filed.

Applicable Rules

Applicable rules or regulations adopted by the Securities and Exchange Commission and/or the New York Stock Exchange (the “NYSE”) pursuant to Section 10D of the Securities Exchange Act of 1934, as amended from time to time (the “Exchange Act”), Rule 10D-1 promulgated under the Exchange Act (“Rule 10D-1”) and Section 303A.14 of the NYSE Listed Company Manual (the “Listing Standards”), or other applicable rules or regulations.

Covered Person

Any current or former “executive officer” of the Company, as determined by the Administrator in accordance with the definition of executive officer set forth in the Applicable Rules.

Effective Date

October 2, 2023

Erroneously Awarded Compensation

With respect to each Covered Person in connection with an Accounting Restatement, the amount of Incentive Compensation (as defined below) that exceeds the amount of Incentive Compensation that would have been received by such Covered Person had it been determined based on the restated Financial Reporting Measure (as defined below), computed without regard to any taxes paid by the Covered Person in respect of the Erroneously Awarded Compensation.

Financial Reporting Measure

Any measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements, and any measure that is derived wholly or in part from such measure. A Financial Reporting Measure need not be presented within the Company’s financial statements or included in a filing with the Securities and Exchange Commission.

Incentive Compensation

All cash bonuses and equity compensation granted to, earned by, or vested to a recipient by the Company or its subsidiaries based wholly or in part upon the attainment of a Financial Reporting Measure, including any payment in cash, stock or other property pursuant to any incentive-based compensation plan, program or arrangement (including, without limitation, from the exercise of any compensatory stock option or the settlement of any equity award) established or maintained by the Company or any of its subsidiaries. Incentive Compensation is “received” for purposes of this Policy in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of such Incentive Compensation occurs after the end of that period.

3. Covered Persons; Incentive Compensation.

This Policy applies to Incentive Compensation received by a Covered Person (a) after beginning services as a Covered Person; (b) if that person served as a Covered Person at any time during

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the performance period for such Incentive Compensation; and (c) while the Company had a listed class of securities on a national securities exchange, in each case, only if such Incentive Compensation was received after the Effective Date..

4. Required Recoupment Following Accounting Restatement.

In the event the Company is required to prepare an Accounting Restatement, the Company shall promptly recoup the amount, subject to the below, of any Erroneously Awarded Compensation received by any Covered Person.

In determining the amount of any recoupment that is to be sought under the terms of this Policy, the Administrator may take into account any and all factors that it determines to be appropriate, including the likelihood and costs of recovery, compliance with applicable law, the ability of the Covered Person to repay such amount, the tax consequences of the original payment and/or the recoupment to the person subject to this Policy, any other potentially adverse consequences for the Company arising from seeking such recoupment and any mitigating factors that it shall deem relevant to its determination.

5. Method of Recoupment for Erroneously Awarded Compensation in the Event of an Accounting Restatement.

The Administrator shall determine, in its sole discretion, the timing and method for promptly recouping Erroneously Awarded Compensation in the event of an Accounting Restatement hereunder, which may include without limitation, to the extent constituting Erroneously Awarded Compensation, (a) seeking reimbursement of all or part of any cash or equity-based award, (b) cancelling prior cash or equity-based awards, whether vested or unvested or paid or unpaid, (c) canceling or offsetting against any planned future cash or equity-based awards, (d) forfeiture of deferred compensation, subject to compliance with Section 409A of the Internal Revenue Code and the regulations promulgated thereunder, and (e) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Administrator may affect recovery under this Policy from any amount otherwise payable to the Covered Person, including amounts payable to such individual under any otherwise applicable Company plan or program and amounts approved, awarded, granted, payable or paid prior to, on or after the Effective Date, including base salary, bonuses or commissions and equity, or other long-term incentive and other compensation previously deferred by the Covered Person.

The Company is authorized and directed pursuant to this Policy to recoup Erroneously Awarded Compensation in compliance with this Policy unless the Administrator has determined that recovery would be impracticable solely for the following limited reasons, and subject to the following procedural and disclosure requirements:

- The direct expense paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on expense of enforcement, the Administrator must make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover, and provide that documentation to NYSE;

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- Recovery would violate home country law of the issuer where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law of the issuer, the Administrator must satisfy the applicable opinion and disclosure requirements of the Applicable Rules; or
- Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

6. Effective Date; Retroactive Application.

This Policy shall be effective as of the Effective Date. Each Covered Person shall be required to sign the acknowledgment in Exhibit A hereto as a condition to the grant of any Incentive Compensation awarded after the Effective Date. The terms of this Policy shall apply to any Incentive Compensation that is received (as described in the definition of “Incentive Compensation”) by a Covered Person on or after the Effective Date, even if such Incentive Compensation was approved, awarded, granted or paid to such Covered Person prior to the Effective Date.

7. No Indemnification of Covered Persons.

Notwithstanding the terms of any indemnification or insurance policy or any contractual arrangement with any Covered Person that may be interpreted to the contrary, the Company shall not indemnify any Covered Person against the loss of any Erroneously Awarded Compensation, including any payment or reimbursement for the cost of third-party insurance purchased by the Covered Person to fund potential clawback obligations under the Policy.

8. Indemnification.

Any members of the Administrator, and any other members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or interpretation made with respect to the Policy and, except as provided in Section 7, shall be fully indemnified by the Company to the fullest extent under applicable law and Company policy with respect to any such action, determination or interpretation. The foregoing sentence shall not limit any other rights to indemnification of the members of the Board under applicable law, contractual arrangement or Company policy.

9. Amendment; Termination.

The Administrator may amend, modify, supplement, rescind or replace all or any portion of this Policy at any time and from time to time in its discretion, in accordance and subject to compliance with applicable law or any rules or standards adopted by a national securities exchange on which the Company's securities are listed.

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10. Other Recoupment Rights; Company Claims.

The Board intends that this Policy shall be applied to the fullest extent of the law. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company under applicable law or pursuant to the terms of the Company's Amended and Restated Clawback and Forfeiture Policy (as may be amended, restated, supplemented or otherwise modified from time to time) or any similar policy in any employment agreement, equity award agreement, or similar agreement or any other legal remedies available to the Company.

Nothing contained in this Policy, and no recoupment or recovery contemplated by this Policy, shall limit any claims, damages or other legal remedies the Company or any of its affiliates may have against a Covered Person arising out of or resulting from any actions or omissions by the Covered Person.

11. Successors.

This Policy shall be binding and enforceable against all Covered Persons and their beneficiaries, heirs, executors, administrators or other legal representatives.

12. Exhibit Filing Requirement.

A copy of this Policy and any amendments thereto shall be posted on the Company's website and filed as an exhibit to the Company's Annual Report on Form 10-K.

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Exhibit A

Dodd-Frank Clawback Policy Acknowledgment

I, the undersigned, agree and acknowledge that I am fully bound by, and subject to, all of the terms and conditions of Core & Main, Inc.'s Dodd-Frank Clawback Policy (as may be amended, restated, supplemented or otherwise modified from time to time, the "Policy") and agree and acknowledge that I will continue to be fully bound by, and subject to, the terms and conditions of the Policy in the event that my employment with Core & Main, Inc. or any of its subsidiaries is terminated. In the event of any inconsistency between the Policy and the terms of any employment agreement to which I am a party, or the terms of any compensation plan, program or agreement under which any compensation has been granted, awarded, earned or paid, the terms of the Policy shall govern. In the event it is determined by the Administrator that any amounts granted, awarded, earned or paid to me must be forfeited or reimbursed to the Company, I will promptly take any action necessary to effectuate such forfeiture and/or reimbursement. Any capitalized terms used in this Acknowledgment without definition shall have the meaning set forth in the Policy.

By: _____

[Name] Date

[Title]

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