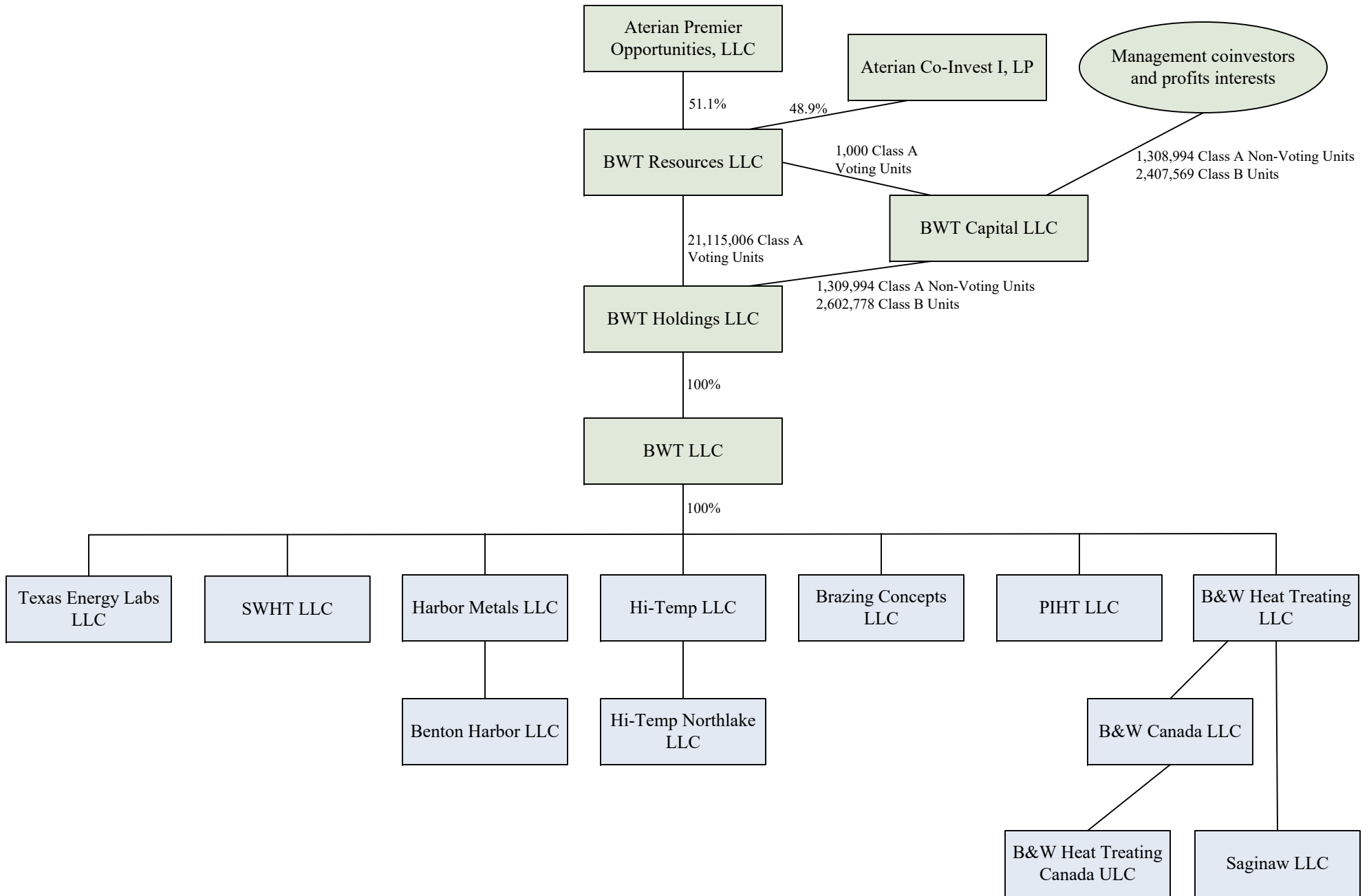


TAB B

**THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF ERIC MANNIX
SWORN BEFORE ME THIS 26th
DAY OF SEPTEMBER, 2019.**

A Commissioner etc.

Bluewater Thermal
Post-Closing Structure Chart



All entities are Delaware LLCs with the exception of B&W Heat Treating Canada ULC, which is an Alberta, Canada unlimited liability company. All entities are treated as either partnerships or disregarded entities for US tax purposes.

TAB C

**THIS IS EXHIBIT "C" TO
THE AFFIDAVIT OF ERIC MANNIX
SWORN BEFORE ME THIS 26th
DAY OF SEPTEMBER, 2019.**

A Commissioner etc.

FINANCING AGREEMENT**Dated as of October 23, 2012****by and among****BWT LLC
HARBOR METALS LLC
BENTON HARBOR LLC
HI-TEMP LLC
HI-TEMP NORTHLAKE LLC
BRAZING CONCEPTS LLC
PIHT LLC
B&W HEAT TREATING LLC
B&W CANADA LLC
SAGINAW LLC****as US Borrowers****B&W HEAT TREATING CANADA ULC****as Canadian Borrower & Guarantor****BWT HOLDINGS LLC,****as Guarantor**

THE LENDERS FROM TIME TO TIME PARTY HERETO,

and**CERBERUS BUSINESS FINANCE, LLC****as Collateral Agent and Administrative Agent**

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FINANCING AGREEMENT

Financing Agreement, dated as of October 23, 2012, by and among BWT LLC, a Delaware limited liability company (the "Parent") as the initial term loan borrower and immediately upon consummation of the Acquisition, Harbor Metals LLC, a Delaware limited liability company ("Harbor"), Benton Harbor LLC, a Delaware limited liability company ("Benton"), Hi-Temp LLC, a Delaware limited liability company ("Hi-Temp"), Hi-Temp Northlake LLC, a Delaware limited liability company ("Hi-Temp Northlake"), Brazing Concepts LLC, a Delaware limited liability company ("Brazing"), PIHT LLC, a Delaware limited liability company ("PIHT"), B&W Heat Trading LLC, a Delaware limited liability company ("B&W"), B&W Canada LLC, a Delaware limited liability company ("B&W Canada"), Saginaw LLC, a Delaware limited liability company ("Saginaw"), each subsidiary of Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, and Saginaw listed as a "US Borrower" on the signature pages hereto (together with Parent, Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw and each other Person (as hereinafter defined) that executes a joinder agreement and becomes a "US Borrower" hereunder, each a "US Borrower" and collectively, the "US Borrowers"), B&W Heat Treating Canada ULC, an Alberta unlimited liability company (the "Canadian Borrower", together with the US Borrowers, collectively and, subject to Section 4.06, jointly and severally, the "Borrowers"), BWT Holdings LLC, a Delaware limited liability company (the "Ultimate Parent"), each subsidiary of the Ultimate Parent listed as a "Guarantor" on the signature pages hereto (together with the Ultimate Parent, the Canadian Borrower and each other Person that executes a joinder agreement and becomes a "Guarantor" hereunder or otherwise guaranties all or any part of the Obligations (as hereinafter defined), each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party hereto (each a "Lender" and collectively, the "Lenders"), Cerberus Business Finance, LLC, a Delaware limited liability company ("Cerberus"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and Cerberus, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

RECITALS

The Borrowers have asked the Lenders to extend a credit facility of \$48,500,000 to the Borrowers consisting of (a) a revolving credit facility provided to the US Borrowers upon completion of the Acquisition in an aggregate principal amount of up to \$3,000,000 and (b) a term loan facility in an aggregate principal amount of \$45,500,000, which shall consist of (i) upon completion of the Acquisition (as defined herein), a term loan "A" in the principal amount of \$42,500,000 to the US Borrowers and (ii) a term loan "B" in the principal amount of \$3,000,000 to the Canadian Borrower. The proceeds of the loans made hereunder shall be used (i) to finance a portion of the purchase price for the Acquisition (as hereinafter defined), (ii) for general working capital requirements and other general corporate purposes of the Loan Parties (as hereinafter defined), and (iii) to pay fees and expenses related to the Acquisition and this Agreement. The Lenders are severally, and not jointly, willing to extend such credit to the Borrowers subject to the terms and conditions hereinafter set forth.

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

ARTICLE I

DEFINITIONS; CERTAIN TERMS

Section 1.01 Definitions. As used in this Agreement, the following terms shall have the respective meanings indicated below, such meanings to be applicable equally to both the singular and plural forms of such terms:

"Account Debtor" means any Person who is or who may become obligated under, with respect to, or on account of, an Account Receivable, chattel paper, or a general intangible.

"Account Receivable" means, with respect to any Person, any and all rights of such Person to payment for goods sold and/or services rendered, including rights to receive payment in respect of accounts, general intangibles, bank and non-bank credit cards, and any and all such rights evidenced by chattel paper, instruments or documents, whether due or to become due and whether or not earned by performance, and whether now or hereafter acquired or arising in the future, and any proceeds arising therefrom or relating thereto.

"Acquisition" means, collectively, the acquisition by Parent of 100% of the Equity Interests of the US Borrowers (other than Parent) from its existing shareholders, pursuant to the terms of the Acquisition Agreement, together with the other transactions evidenced by the Acquisition Documents.

"Acquisition Agreement" means that certain Purchase and Sale Agreement, dated as of the date hereof, by and among the Purchaser and the Seller, as in effect on the date hereof.

"Acquisition Assets" means all of the property and assets (tangible and intangible) proposed to be purchased by the Purchaser pursuant to the Acquisition Agreement.

"Acquisition Documents" means the Acquisition Agreement, the Subordinated Seller Note and all other documents and agreements executed and delivered in connection therewith.

"Action" has the meaning specified therefor in Section 12.12.

"Additional Amount" has the meaning specified therefor in Section 2.08(a).

"Administrative Agent" has the meaning specified therefor in the preamble hereto.

"Administrative Agent's Account" means an account at a bank designated by the Administrative Agent from time to time as the account into which the Loan Parties shall make all payments to the Administrative Agent for the benefit of the Agents and the Lenders under this Agreement and the other Loan Documents.

"Administrative Borrower" has the meaning specified therefor in Section 12.21.

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means the power, directly or indirectly, either to (a) vote 10% or more of the Equity Interests having ordinary voting power for the election of members of the Board of Directors of such Person or (b) direct or cause the direction of the management and policies of such Person whether by contract or otherwise. Notwithstanding anything herein to the contrary, in no event shall any Agent or any Lender be considered an "Affiliate" of any Loan Party.

"After Acquired Property" means any fee interest in real property acquired by any Loan Party after the Effective Date with a Current Value in excess of \$100,000 and which is not subject to a purchase money mortgage permitted hereunder.

"Agent" and "Agents" have the respective meanings specified therefor in the preamble hereto.

"Agent Advances" has the meaning specified therefor in Section 10.08(a).

"Agreement" means this Financing Agreement, including all amendments, modifications and supplements and any exhibits or schedules to any of the foregoing, and shall refer to the Agreement as the same may be in effect at the time such reference becomes operative.

"Anti-Terrorism Laws" means any laws relating to terrorism or money laundering, including Executive Order No. 13224, the USA PATRIOT Act, the laws comprising or implementing the Bank Secrecy Act, the laws administered by the United States Treasury Department's Office of Foreign Asset Control and any AML Legislation (as any of the foregoing laws may from time to time be amended, renewed, extended, or replaced).

"Applicable Prepayment Premium" means, as of any date of determination, with respect to any termination of this Agreement at any time prior to the Final Maturity Date, whether pursuant to Section 2.05, or for any other reason, including without limitation, (w) termination upon the election of the Required Lenders to terminate after the occurrence and during the continuation of an Event of Default, (x) foreclosure and sale of Collateral, (y) sale of the Collateral in any Insolvency Proceeding, or (z) restructure, reorganization, or compromise of the Obligations by the confirmation of a plan of reorganization, plan of arrangement or any other plan of compromise, restructure, or arrangement in any Insolvency Proceeding, in each case, during a period set forth below, an amount equal to (i) during the period of time from and after the Effective Date, up to and including the date that is the first anniversary of the Effective Date, 3.00%, times the principal amount of any prepayment of the Revolving Loan or any Term Loan, as applicable, on such date; (ii) during the period of time after the date that is the first anniversary of the Effective Date, up to and including the date that is the second anniversary of the Effective Date, 1.50%, times the principal amount of any prepayment of the Revolving Loan or Term Loan, as applicable, on such date; (iii) during the period of time after the date that is the second anniversary of the Effective Date, up to and including the date that is the third anniversary of the Effective Date, 1.00%, times the principal amount of any prepayment of the Revolving Loan or Term Loan, as applicable, on such date, and (iv) thereafter, zero; *provided*,

that in connection with a refinancing of the Loans with a credit facility in which Cerberus or its Affiliates are the lead lenders, no Applicable Prepayment Premium shall be due.

"Assignment and Acceptance" means an assignment and acceptance entered into by an assigning Lender and an assignee, and accepted by the Collateral Agent, in accordance with Section 12.07 and substantially in the form of Exhibit A-1 hereto or such other form acceptable to the Collateral Agent.

"Aterian" means Aterian Investment Advisors, LLC, a Delaware limited liability company.

"Authorized Officer" means, with respect to any Person, the chief executive officer, chief financial officer, treasurer, controller, president, or executive vice president of such Person.

"Availability" means, at any time, the difference between (a) the lesser of (i) the Borrowing Base and (ii) the Total Revolving Credit Commitment and (b) the aggregate outstanding principal amount of all Revolving Loans.

"Bankruptcy Code" means the United States Bankruptcy Code (11 U.S.C. § 101, et seq.), as amended, and any successor statute.

"Base LIBOR Rate" means, for any LIBOR Rate Loan for the then current Interest Period applicable thereto, the greater of (a) 1.75% per annum and (b) the rate per annum, determined by the Administrative Agent in accordance with its customary procedures, and utilizing such electronic or other quotation sources as it considers appropriate, on the basis of the rates at which Dollar deposits are offered to major banks in the London interbank market on or about 11:00 a.m. (New York time) 2 Business Days prior to the commencement of the applicable Interest Period, for a term and in amounts comparable to the Interest Period and amount of the LIBOR Rate Loan requested by the Administrative Borrower in accordance with this Agreement, which determination shall be conclusive in the absence of manifest error.

"Blocked Account" has the meaning specified therefor in Section 8.01(a).

"Blocked Account Bank" has the meaning specified therefor in Section 8.01(a).

"Blocked Person" has the meaning specified therefor in Section 6.01(q).

"Bluewater" means Bluewater Thermal Processing, LLC, a Delaware limited liability company.

"Board" means the Board of Governors of the Federal Reserve System of the United States.

"Board of Directors" means, (a) with respect to any corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board, (b) with respect to a partnership, the board of directors or equivalent governing body of the general partner of the partnership, (c) with respect to a limited liability company, the

managing member or members or any controlling committee or board of managers of such company or the sole member or the managing member thereof, and (d) with respect to any other Person, the entity, individual, board or committee of such Person serving a similar function.

"Book Value" means, with respect to any Inventory of any Person, the lower of (a) cost (as reflected in the general ledger of such Person before customary (but not extraordinary) reserves established by such Person in good faith and in accordance with GAAP) and (b) market value, in each case, determined in accordance with GAAP calculated on a first-in first-out basis.

"Borrower" has the meaning specified therefor in the preamble hereto.

"Borrowing Base" means, at any time, the lesser of (a) the result of (i) up to 75% of the value of the Net Amount of Eligible Accounts Receivable at such time plus (ii) up to 60% of the Book Value of the Eligible Inventory at such time minus (iii) the aggregate amount of reserves (other than the Saginaw Reserve) established by the Administrative Agent in its reasonable business judgment and (b) an amount equal to 2.875 times the TTM EBITDA of the Parent and its Subsidiaries (based on the financial statements most recently delivered to the Agents pursuant to Section 7.01(a)) minus the aggregate outstanding principal amount of the Term Loan and the outstanding amount of all other Indebtedness (other than any letters of credit secured by cash collateral as of the Effective Date) secured by a Lien on any Loan Party's assets.

"Borrowing Base Certificate" means a certificate signed by an Authorized Officer of the Administrative Borrower and setting forth the calculation of the Borrowing Base in compliance with Section 7.01(a)(v), substantially in the form of Exhibit B-1.

"Business Day" means any day that is not a Saturday, Sunday, or other day on which commercial banks are authorized or required to close in New York City, except that, if a determination of a Business Day shall relate to a LIBOR Rate Loan, the term "Business Day" also shall exclude any day on which banks are closed for dealings in U.S. Dollar deposits in the London interbank market.

"Canadian Borrower" has the meaning specified in the preamble hereto.

"Canadian Collateral" means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by the Canadian Loan Parties (other than the US Loan Parties) upon which a lien is granted or purported to be granted by the Canadian Loan Parties (other than the US Loan Parties) as security for all or any part of the Obligations of the Canadian Loan Parties.

"Canadian Dollars and C\$" means lawful currency of Canada.

"Canadian Employee" means any current employee of the Canadian Borrower.

"Canadian Employee Benefits Legislation" means the *Pension Benefits Act* (Ontario), the Pension Benefits Act (Alberta), and any Canadian federal, provincial or local counterparts or equivalents that may apply to any Canadian Employee or any Canadian Employee Plan, as such legislation may be amended from time to time.

"Canadian Employee Plan" means any employee benefit, health, welfare, supplemental unemployment benefit, bonus, pension, supplemental pension, profit sharing, retiring allowance, severance, deferred compensation, stock compensation, stock purchase, retirement, life, hospitalization insurance, medical, dental, disability or other employee group or similar benefit or employment plans or supplemental arrangements maintained by or contributed to by the Canadian Borrower for the benefit of its Canadian Employees or former employees, other than statutory plans maintained by a Governmental Authority and excluding any Canadian Pension Plan.

"Canadian Guarantors" means, collectively, (a) the US Loan Parties, and (b) each other Person which guarantees, pursuant to a Guaranty or otherwise, all or any part of the Canadian Obligations.

"Canadian Loan Party" means, collectively, the Canadian Borrower and the Canadian Guarantors.

"Canadian Loan" means the Term Loan B or any portion thereof.

"Canadian Obligations" means the obligations of Canadian Borrower to pay, as and when due and payable (by scheduled maturity, required prepayment, acceleration, demand or otherwise), (a) the Canadian Loan and (b) all other amounts from time to time owing by it with respect to the Canadian Loan under any of the Loan Documents, whether for principal, interest (including, without limitation, any interest and other amounts that accrue or that would accrue and become due but for the commencement of any Insolvency Proceedings of Canadian Borrower whether such amounts are allowed or allowable), fees, indemnification payments, expense reimbursements or otherwise.

"Canadian Pension Plan" means any "pension plan" required to be registered under the *Income Tax Act* (Canada) and contributed to by the Canadian Loan Parties for its Canadian Employees, within the meaning of the Canadian Employee Benefits Legislation, but does not include the Canada Pension Plan maintained by the Government of Canada or, if applicable, the Quebec Pension Plan maintained by the Government of Quebec.

"Canadian Security Agreement" means a Canadian Pledge and Security Agreement, in form and substance reasonably satisfactory to Agents, made by the Canadian Loan Parties in favor of the Collateral Agent for the benefit of the Agents and the Lenders, securing the Obligations of the Canadian Loan Parties and delivered to the Collateral Agent.

"Canadian Security Documents" means, collectively, the Canadian Security Agreement, any Mortgage, any intellectual property security agreement, any Control Agreement and each other agreement executed and delivered by the Canadian Loan Parties which purports to grant a Lien under the laws of Canada to secure the Obligations of the Canadian Loan Parties.

"Capital Expenditures" means, with respect to any Person for any period, the sum of, without duplication, (a) the aggregate of all expenditures by such Person and its Subsidiaries during such period that in accordance with GAAP are or should be included in "property, plant and equipment" or in a similar fixed asset account on its balance sheet, whether such expenditures are paid in cash or financed and including all Capitalized Lease Obligations paid or

payable during such period, plus (b) to the extent not covered by clause (a) above, the aggregate of all expenditures by such Person and its Subsidiaries during such period to acquire by purchase or otherwise the business or fixed assets of any other Person; provided, however, that the following shall not constitute Capital Expenditures: (i) expenditures to the extent that they are financed with the Net Cash Proceeds of the sale or issuance by the Parent (or one or more holding companies controlling Parent) or any Loan Party of their Equity Interests, (ii) expenditures to the extent that they are made with the proceeds of Reinvestment Eligible Funds, (iii) expenditures to the extent that they are made by the Parent or any of its Subsidiaries to effect leasehold improvements to any property leased by such Person as lessee, to the extent that such expenses have been reimbursed in cash by the landlord that is not a Loan Party, (iv) expenditures to the extent that they are actually paid for by a third party (excluding any Loan Party) and for which no Loan Party has provided or is required to provide or incur, directly or indirectly, any consideration or monetary obligation to such third party or any other person (whether before, during or after such period), and (v) property, plant and equipment taken in settlement of accounts.

"Capitalized Lease" means, with respect to any Person, any lease of real or personal property by such Person as lessee which is (a) required under GAAP to be capitalized on the balance sheet of such Person or (b) a transaction of a type commonly known as a "synthetic lease" (i.e. a lease transaction that is treated as an operating lease for accounting purposes but with respect to which payments of rent are intended to be treated as payments of principal and interest on a loan for Federal income tax purposes).

"Capitalized Lease Obligations" means, with respect to any Person, obligations of such Person and its Subsidiaries under Capitalized Leases, and, for purposes hereof, the amount of any such obligation shall be the capitalized amount thereof determined in accordance with GAAP.

"Cash and Cash Equivalents" means all cash, deposit or securities account balances, certificates of deposit or other financial instruments properly classified as cash or cash equivalents under GAAP.

"Cerberus" has the meaning specified therefor in the preamble hereto.

"CFC" means a "controlled foreign corporation" as that term is defined in Section 957(a) of the IRC.

"Change in Law" has the meaning specified therefor in Section 4.05(a).

"Change of Control" means each occurrence of any of the following:

(a) the Permitted Holder shall cease to have beneficial ownership (as defined in Rule 13d-3 under the Exchange Act), in the aggregate, directly or indirectly, of more than 50% on a fully diluted basis of the aggregate outstanding voting power of the Equity Interests of the Parent,

(b) any Loan Party ceases to own and control 100% of the shares of the Equity Interests of such Loan Party's Subsidiaries extant as of the Effective Date (after giving effect to the Acquisition), unless otherwise permitted hereunder,

(c) at any time the Permitted Holder ceases to have the power, directly or indirectly, to appoint, or ceases to have appointed or caused the appointment of, within 10 Business Days of the applicable vacancy, a majority of the individuals who compose the Board of Directors of each Parent, or

(d) (i) the Parent consolidates with or merges into or amalgamates with another entity or conveys, transfers or leases all or substantially all of its property and assets to any Person (other than the grant of a Lien in and to its assets pursuant to the Loan Documents), or (ii) any entity consolidates with or merges into or amalgamates with the Parent, which in either event (i) or (ii) is pursuant to a transaction in which the outstanding voting Equity Interests of the Parent is reclassified or changed into or exchanged for cash, securities or other property, other than any such transaction in which the Permitted Holder has beneficial ownership, directly or indirectly, in the aggregate of more than 50% of the aggregate voting power of all Equity Interests of the resulting, surviving or transferee entity.

"Code" means the New York Uniform Commercial Code, as in effect from time to time; provided, however, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, priority, or remedies with respect to Collateral Agent's Liens on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies.

"Collateral" means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any Person upon which a Lien is granted or purported to be granted by such Person in favor of the Collateral Agent, as security for all or any part of the Obligations.

"Combined Effective Marginal Tax Rate" shall mean the sum of highest marginal United States federal and state income tax rate that would be applicable to an individual who is a natural person residing in New York, NY determined as of the last day of each Tax Year, specifically giving effect to and assuming the deductibility of state income taxes, taking into consideration the type of income (e.g. capital gain versus ordinary income) at issue and without giving effect to or any limitation on the deductibility of state taxes or other itemized deductions or the phase out itemized deductions or exemptions.

"Collateral Agent" has the meaning specified therefor in the preamble hereto.

"Collateral Assignment" means the Collateral Assignment of Acquisition Documents, dated as of the date hereof, and in form and substance reasonably satisfactory to the Collateral Agent, made by the Purchaser in favor of the Collateral Agent.

"Commitments" means, with respect to each Lender, such Lender's Revolving Credit Commitment and Term Loan Commitment.

"Consolidated Current Assets" means, as at any date of determination, the total assets of the Ultimate Parent and its Subsidiaries which may properly be classified as current assets (other than deferred tax related assets) on a consolidated balance sheet of the Ultimate Parent and its Subsidiaries in accordance with GAAP.

"Consolidated Current Liabilities" means, as at any date of determination, the total liabilities of the Ultimate Parent and its Subsidiaries which may properly be classified as current liabilities (other than the current portion of any Loans and deferred tax related liabilities) on a consolidated balance sheet of the Ultimate Parent and its Subsidiaries in accordance with GAAP.

"Consolidated EBITDA" means, with respect to any Person for any period, (a) the Consolidated Net Income of such Person and its Subsidiaries for such period, plus (b) without duplication, the sum of the following amounts of such Person and its Subsidiaries for such period and, except in the case of clauses (b)(viii) and (b)(xii), to the extent deducted in determining Consolidated Net Income of such Person and its Subsidiaries for such period (in each case calculated on a consolidated basis in accordance with GAAP): (i) Consolidated Net Interest Expense, (ii) net income tax expense (including foreign withholding taxes and any State business, unitary, gross receipts, or similar tax), (iii) depreciation expense, (iv) amortization expense, (v) Permitted Management Fees, the reimbursement of out-of-pocket expenses and indemnification payments paid or accrued (to the extent so permitted hereunder) to Aterian and its Affiliates during such period, (vi) non-cash restructuring charges relating to the Acquisition, (vii) to the extent actually paid during such period, fees and expenses related to the consummation of the Acquisition and the transactions contemplated to be consummated on the Effective Date under this Agreement, (viii) non-cash purchase accounting adjustments, (ix) the lesser of (a) \$3,250,000 or (b) the transaction costs related to the Acquisition incurred at or prior to the Effective Date, (x) to the extent not already included in the calculation of Consolidated Net Income, proceeds from business interruption insurance, (xi) non-cash charges resulting from the grant of stock options or other equity related incentives to any director, officer or employee of the Parent or any Subsidiary of the Parent pursuant to a written plan or agreement approved by the board of directors of the applicable Person, (xii) to the extent not already included in the calculation of Consolidated Net Income and actually indemnified or reimbursed, any expenses and charges that are covered by indemnification or reimbursement provisions in connection with any Disposition, (xiii) implemented cost savings items described on Schedule 1.01, in an amount not to exceed \$220,000 in the aggregate, (xiv) any non-cash impact arising from treatment of pension obligations, and (xv) non-cash losses arising from a change in foreign exchange rates, less non-cash gains arising from a change in foreign exchange rates.

"Consolidated Funded Indebtedness" means, with respect to any Person at any date, all Indebtedness for borrowed money or letters of credit (except for letters of credit secured by cash collateral as of the Effective Date) of such Person, determined on a consolidated basis in accordance with GAAP, including, in any event, but without duplication, with respect to the Ultimate Parent and its Subsidiaries, the Loans and the amount of their Capitalized Lease Obligations but excluding Indebtedness pursuant to clause (g) of the definition of Permitted Indebtedness.

"Consolidated Net Income" means, with respect to any Person for any period, the net income (loss) of such Person and its Subsidiaries for such period, determined on a consolidated basis and in accordance with GAAP, but excluding from the determination of Consolidated Net Income (without duplication) (a) any non-cash extraordinary or non-cash non-recurring gains or non-cash losses or non-cash gains or losses from Dispositions, (b) non-cash restructuring charges, (c) non-cash effects of discontinued operations, (d) interest that is paid-in-kind, (e) interest income, (f) any tax refunds, net operating losses or other net tax benefits received during such period on account of any prior period, (g) any net gain attributable to the write-up of any asset, (h) any loss attributable to the write-down of any asset (other than Accounts Receivable and Inventory), and (i) any net gain arising from the acquisition of any securities, or the extinguishment of any Indebtedness, of the Ultimate Parent or any of its Subsidiaries.

"Consolidated Net Interest Expense" means, with respect to any Person for any period, gross interest expense of such Person and its Subsidiaries payable in cash for such period determined on a consolidated basis and in accordance with GAAP (including, without limitation, interest expense paid to Affiliates (other than Loan Parties) of such Person), less (a) the sum of (i) interest income (including interest paid-in-kind) for such period and (ii) gains for such period on Hedging Agreements (to the extent not included in interest income above and to the extent not deducted in the calculation of gross interest expense), plus (b) the sum of (i) losses for such period on Hedging Agreements (to the extent not included in such gross interest expense) and (ii) the upfront costs or fees for such period associated with Hedging Agreements (to the extent not included in such gross interest expense), in each case, determined on a consolidated basis and in accordance with GAAP.

"Contingent Obligation" means, with respect to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness, leases, dividends or other obligations ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, (a) the direct or indirect guaranty, endorsement (other than for collection or deposit in the ordinary course of business), co-making, discounting with recourse or sale with recourse by such Person of the obligation of a primary obligor, (b) the obligation to make take-or-pay or similar payments, if required, regardless of nonperformance by any other party or parties to an agreement, and (c) any obligation of such 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, assets, 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 holder of such primary obligation against loss in respect thereof; provided, however, that the term "Contingent Obligation" shall not include any product warranties extended in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation with respect to which such Contingent Obligation is made (or, if less, the maximum amount of such primary obligation for which such Person may be liable pursuant to the terms of the instrument evidencing such Contingent Obligation) or, if not stated or determinable, the maximum reasonably anticipated

liability with respect thereto (assuming such Person is required to perform thereunder), as determined by such Person in good faith.

"Control Agreement" means a control agreement, in form and substance reasonably satisfactory to the Agents, executed and delivered by a Loan Party, the Collateral Agent and the applicable securities intermediary with respect to a securities account or a bank with respect to a deposit account. For certainty, for any Canadian bank account, such term shall also refer to a "blocked account" agreement with respect to such bank account, notwithstanding that the execution and delivery of such agreement is not a perfection requirement.

"Current Value" has the meaning specified therefor in Section 7.01(o).

"Default" means an event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default.

"Defaulting Lender" has the meaning specified therefor in Section 2.2(c).

"Disposition" means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells (including, without limitation, any sale and leaseback transaction), assigns, transfers or otherwise disposes of any property or assets (whether now owned or hereafter acquired, but exclusive of the issuance of Equity Interests by such Person) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person. "Disposition" shall not include the expiration of a Lease by its terms or non-renewal of a Lease.

"Disqualified Equity Interests" means any Equity Interest that, by its terms (or by the terms of any security or other Equity Interest into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than as a result of a contingent event (provided that the Obligations are first repaid in full)), pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than as a result of a contingent event (provided that the Obligations are first repaid in full)), in whole or in part, on or prior to the date which is one year after the Final Maturity Date, (b) is convertible into or exchangeable for (i) debt securities or (ii) any Equity Interests referred to in clause (a) above, in each case at any time prior to the date which is one year after the Final Maturity Date, (c) contains any repurchase obligation that may come into effect either (i) prior to payment in full of all Obligations or (ii) prior to the date that is one year after the Final Maturity Date (other than as a result of a contingent event (provided that the Obligations are first repaid in full)) or (d) provides for scheduled payments or the payment of cash dividends or distributions prior to the date that is one year after the Final Maturity Date.

"Dollar," "Dollars" and the symbol "\$" each means lawful money of the United States of America.

"Domestic Subsidiary" means any Subsidiary of any Person that is not a CFC.

"Effective Date" means the date, on or before October 23, 2012, on which all of the conditions precedent set forth in Section 5.01 are first satisfied or waived.

"Eligible Accounts Receivable" means the Accounts Receivable of a Loan Party which are, and at all times continue to be, acceptable to the Administrative Agent in the exercise of its reasonable business judgment. In general, an Account Receivable shall be deemed to be eligible if: (a) delivery of the merchandise or the rendition of the services has been completed with respect to such Account Receivable; (b) no return, rejection, repossession or dispute has occurred with respect to such Account Receivable, the Account Debtor has not asserted any setoff, defense or counterclaim with respect to such Account Receivable, and there has not occurred any extension of the time for payment with respect to such Account Receivable without the consent of the Administrative Agent, provided that, in the case of any dispute, setoff, defense or counterclaim with respect to an Account Receivable, the portion of such Account Receivable not subject to such dispute, setoff, defense or counterclaim will not be ineligible solely by reason of this clause (b); (c) such Account Receivable is lawfully owned by a Loan Party free and clear of any Lien other than in favor of the Collateral Agent for the benefit of the Agents and the Lenders and Liens described in clauses (b) and (j) of the definition of Permitted Liens and otherwise continues to be in full conformity with all representations and warranties made by a Loan Party to the Agents and the Lenders with respect thereto in the Loan Documents; (d) such Account Receivable is unconditionally payable in Dollars within 90 days from the invoice date and is not evidenced by a promissory note, chattel paper or any other instrument or other document unless such promissory note, chattel paper or other instrument has been delivered to the Administrative Agent; (e) no more than 60 days have elapsed from the invoice due date and no more than 90 days have elapsed from the invoice date with respect to such Account Receivable; (f) such Account Receivable is not due from an Affiliate of a Loan Party (for purposes of this clause (f), it being understood that other portfolio companies of the Permitted Holder shall not be deemed an Affiliate of a Loan Party); (g) such Account Receivable does not constitute an obligation of the United States or any other Governmental Authority (unless all steps required by the Administrative Agent in connection therewith, including notice to the United States Government under the Federal Assignment of Claims Act, the Canadian government under the Federal Administration Act Canada or any action under any state or provincial statute comparable to the Federal Assignment of Claims Act or the Federal Administration Act Canada, respectively, have been duly taken in a manner satisfactory to the Administrative Agent); (h) the Account Debtor (or the applicable office of the Account Debtor) with respect to such Account Receivable is located in the continental United States or Canada, unless such Account Receivable is supported by a letter of credit or other similar obligation reasonably satisfactory to the Administrative Agent; (i) the Account Debtor with respect to such Account Receivable is not also a supplier to or creditor of a Loan Party, unless such Account Debtor has executed a no-offset letter reasonably satisfactory to the Administrative Agent; (j) not more than 50% of the aggregate amount of all Accounts Receivable of the Account Debtor with respect to such Account Receivable have remained unpaid 60 days past the invoice due date or 90 days past the invoice date; (k) the Account Debtor with respect to such Account Receivable (i) has not filed a petition for bankruptcy or any other relief under any Insolvency Law, (ii) has not failed, suspended business operations, become insolvent or called a meeting of its creditors for the purpose of obtaining any financial concession or accommodation, (iii) has not had or suffered to be appointed a receiver, interim receiver, receiver and manager, administrative receiver or a trustee or other similar official for all or a significant portion of its assets or affairs or (iv) in the case of an Account Debtor who is an individual, is not an employee of a Loan Party or any of its Affiliates and has not died or been declared incompetent; and (l) the Administrative

Agent is, and continues to be, reasonably satisfied with the credit standing of the Account Debtor in relation to the amount of credit extended and the Administrative Agent believes, in its reasonable discretion, that the prospect of collection of such Account Receivable is not impaired for any reason.

"Eligible Inventory" means all finished goods and raw materials Inventory of a Loan Party that meets all of the following specifications: (a) such Inventory is lawfully owned by a Loan Party free and clear of any existing Lien other than in favor of the Collateral Agent for the benefit of the Agents and the Lenders and Liens described in clauses (b) and (j) of the definition of Permitted Liens and otherwise continues to be in full conformity with all representations and warranties made by a Loan Party to the Agents and the Lenders with respect thereto in the Loan Documents; (b) such Inventory is not held on consignment and may be lawfully sold; (c) a Loan Party has the right to grant Liens on such Inventory; (d) such Inventory arose or was acquired in the ordinary course of the business of a Loan Party and does not represent damaged, obsolete or unsalable goods; (e) no Account Receivable or document of title has been created or issued with respect to such Inventory; (f) such Inventory is located in one of the locations in the continental United States or Canada listed on Schedule 6.01(ff) (or in transit between such locations) or such other locations in the continental United States or Canada as the Collateral Agent may approve in writing from time to time; (g) if such Inventory consists of finished goods Inventory sold under a licensed trademark or if such Inventory contains or uses a medium subject to a copyright (i) the Collateral Agent shall have entered into a waiver letter, in form and substance reasonably satisfactory to the Collateral Agent, with the licensor with respect to the rights of the Collateral Agent to use the licensed trademark or copyright to sell or otherwise dispose of such Inventory or (ii) the Collateral Agent shall otherwise be satisfied, in its reasonable discretion, that the Collateral Agent has rights to sell or dispose of such Inventory; (h) the Inventory is not work-in-process, supplies or packaging; and (i) such Inventory is and at all times shall continue to be reasonably acceptable to the Administrative Agent.

"Employee Plan" means an employee benefit plan (other than a Multiemployer Plan) covered by Title IV of ERISA and maintained (or that was maintained at any time during the six (6) calendar years preceding the date of any borrowing hereunder) for employees of any Loan Party or any of its ERISA Affiliates.

"Environmental Actions" means any complaint, summons, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding, judgment, letter or other communication from any Person or Governmental Authority involving violations of Environmental Laws or Releases of Hazardous Materials (a) from any assets, properties or businesses owned or operated by any Loan Party or any of its Subsidiaries; (b) from adjoining properties or businesses onto any assets, properties or businesses owned or operated by any Loan Party or any of its Subsidiaries; or (c) onto any facilities which received Hazardous Materials generated by any Loan Party or any of its Subsidiaries.

"Environmental Laws" means the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. § 1801, et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901, et seq.), the Federal Clean Water Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.)

and the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.), the Canadian Environmental Protection Act (Canada) and the Environmental Protection Act (Ontario), as such laws may be amended or otherwise modified from time to time, and any other present or future federal, state, provincial, local or foreign statute, ordinance, rule, regulation, order, judgment, decree, or other binding determination of any Governmental Authority imposing liability or establishing standards of conduct for protection of the environment or other government restrictions relating to the protection of the environment or the Release of any Hazardous Materials into the environment.

"Environmental Liabilities and Costs" means all liabilities, monetary obligations, Remedial Actions, losses, damages, punitive damages, consequential damages, treble damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts and consultants and costs of investigations and feasibility studies), fines, penalties, sanctions and interest incurred as a result of any claim or demand by any Governmental Authority or any third party, and which relate to the liability or potential liability of any Loan Party with respect to any environmental condition or a Release of Hazardous Materials from or onto (i) any property currently or formerly owned by any Loan Party or any of its Subsidiaries or (ii) any real property which received Hazardous Materials generated by any Loan Party or any of its Subsidiaries.

"Environmental Lien" means any Lien in favor of any Governmental Authority for Environmental Liabilities and Costs.

"Equipment" shall mean and include all of the Borrower's and any Subsidiary Guarantor's goods (other than Inventory) whether now owned or hereafter acquired and wherever located including all equipment, machinery, apparatus, motor vehicles, fittings, furniture, furnishings, fixtures, parts, accessories and all replacements and substitutions therefor or accessions thereto, and any other asset or right that would constitute "equipment" under the Code or the PPSA.

"Equity Interest" means (a) with respect to any Person that is a corporation, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, and (b) with respect to any Person that is not a corporation, any and all partnership, membership or other equity interests of such Person.

"Equity Issuance" means either (a) the sale or issuance by any Loan Party or any of its Subsidiaries of any shares of its Equity Interests or (b) the receipt by the Parent of any cash capital contributions.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case, as in effect from time to time. References to sections of ERISA shall be construed also to refer to any successor sections.

"ERISA Affiliate" means, with respect to any Person, any trade or business (whether or not incorporated) which is a member of a group of which such Person is a member

and which would be deemed to be a "controlled group" within the meaning of Sections 414(b), (c), (m) and (o) of the IRC.

"Event of Default" means any of the events set forth in Section 9.01.

"Excess Cash Flow" means, with respect to any Person for any period, an amount equal to (a) the sum of (i) Consolidated EBITDA of such Person and its Subsidiaries for such period, (ii) the absolute value of the difference, if positive, of the amount of Net Working Capital at the end of the prior period over the amount of Net Working Capital at the end of such period and (iii) any extraordinary cash gains not given effect to in the calculation of Consolidated Net Income during such periods; minus (b) the sum of (without duplication) (i) all mandatory and scheduled principal payments made on the Term Loan during such period (excluding any payments made pursuant to Section 2.05(c)(ii) hereof), (ii) all principal payments made on other Indebtedness of such Person or any of its Subsidiaries during such period to the extent such other Indebtedness is permitted to be incurred, and such payments are permitted to be made, under this Agreement, (iii) the cash portion of Capital Expenditures (net of any proceeds of related financings with respect to such expenditures) made by such Person and its Subsidiaries during such period to the extent permitted to be made under this Agreement, (iv) Consolidated Net Interest Expense of such Person and its Subsidiaries during such period, (v) income taxes paid by such Person and its Subsidiaries during such period (and/or, in the case that Parent and Ultimate Parent convert to a flow through entity for tax purposes, distributions for taxes incurred by equityholders permitted under Section 7.02(h)(G)), (vi) Permitted Management Fees paid during such period, (vii) cash items added back to Consolidated Net Income in connection with the calculation of Consolidated EBITDA during such period, (viii) the absolute value of the difference, if negative, of the amount of Net Working Capital at the end of the prior period over the amount of Net Working Capital at the end of such period, (ix) to the extent included in the calculation of Consolidated Net Income, any Extraordinary Receipts received during such period, (x) any cash items not given effect in the calculation of Consolidated Net Income during such period, and (xi) distributions made for purposes of making repurchases or redemptions described in clause (B) of Section 7.02(h) hereof. Notwithstanding the foregoing, to the extent that any Disposition or casualty event results in a gain, such gain shall be excluded from the calculation of Excess Cash Flow to the extent such event otherwise results in a mandatory prepayment hereunder or is otherwise permitted to be reinvested.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Excluded Taxes" has the meaning specified therefor in Section 2.08(a).

"Executive Order No. 13224" means the Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, as the same has been, or shall hereafter be, renewed, extended, amended or replaced.

"Existing Credit Facility" means (i) that certain \$88,900,000 Amended and Restated Credit Agreement dated as of April 5, 2012 among the Seller, certain subsidiaries of the Seller, the Lenders party thereto and Wilmington Trust, N.A., as administrative agent and collateral agent, as amended and modified from time to time and (ii) that certain \$22,500,000

Amended and Restated Credit Agreement dated April 21, 2010, among the Seller, certain subsidiaries of the Seller, the Lenders party thereto and Wilmington Trust, N.A..

"Existing Lender" means the Lenders under the Existing Credit Facility.

"Extraordinary Receipts" means any cash received by the Parent or any of its Subsidiaries not in the ordinary course of business (and not consisting of proceeds of Dispositions or Indebtedness or Equity Issuances), including, without limitation, (a) foreign, United States, Canadian, state, provincial or local tax refunds (other than tax refunds that the Parent or any of its Subsidiaries are required to refund to the Seller under the Acquisition Agreement), (b) pension plan reversions, (c) proceeds of insurance (excluding, so long as no Event of Default has occurred and is continuing, business interruption) less the amount of any Indebtedness securing a Permitted Lien on any asset that is the subject of a casualty event, (d) proceeds of judgments, proceeds of settlements or other consideration of any kind received in connection with any cause of action (excluding, so long as no Event of Default has occurred and is continuing, any portion thereof that represents out-of-pocket losses by such Person), (e) proceeds of condemnation awards (and payments in lieu thereof) (excluding, so long as no Event of Default has occurred and is continuing, any portion thereof that represents out-of-pocket losses by such Person), (f) indemnity payments (excluding so long as no Event of Default has occurred and is continuing, any portion thereof that represents the reimbursement of actual out-of-pocket losses by such Person) and (g) any purchase price adjustment received in connection with any purchase agreement, except to the extent such purchase price adjustment is used to pay (within 180 days after the Effective Date unless contested, in which case, until the resolution of such contest) taxes, Indebtedness or other costs, in each, case related to the Acquisition.

"FATCA" means IRC Section 1471 through 1474, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to IRC Section 1471(b)(1).

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal to, for each day during such period, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Final Maturity Date" means October 23, 2017 or such earlier date on which all or any portion of the Obligations shall become due and payable pursuant to the terms of Section 9.01.

"Financial Statements" means (a) the financial statements set forth in the Crowe Horwath LLP Quality of Earnings Memorandum dated October 4, 2012 and (b) the unaudited consolidated balance sheet and the related consolidated statements of income and cash flows for Bluewater's 10 Northern facilities.

"Fiscal Year" means the fiscal year of the Ultimate Parent and its Subsidiaries ending on December 31.

"Fixed Charge Coverage Ratio" means, with respect to any Person for any period, the ratio of (a) the TTM EBITDA of such Person and its Subsidiaries as of the end of such period, minus the sum of (without duplication) (i) all income tax liabilities (after the application of any refunds or credits and excluding net income taxes paid from the proceeds received in connection with any Permitted Disposition or any Disposition consented to by the Required Lenders (after taking into account any tax credits or deductions and any tax sharing arrangements) and excluding any tax liabilities in respect of extraordinary gains) of such Person and its Subsidiaries that accrued during such period, to the extent that such amount is greater than zero plus (ii) cash dividends or distributions paid by such Person and its Subsidiaries (other than, in the case of the Ultimate Parent, dividends or distributions paid to the Ultimate Parent or its wholly-owned Subsidiaries) during such period, plus (iii) Permitted Management Fees paid during such period, plus (iv) non-financed Capital Expenditures permitted hereunder made by such Person and its Subsidiaries during such period to (b) the TTM Fixed Charges as of the last day of such period. For purposes of calculating the Fixed Charge Coverage Ratio at any time during the twelve months following the Effective Date, only those amounts attributable to periods after the Effective Date shall be included.

"Fixed Charges" means, with respect to any Person for any period, the sum of (without duplication) (a) all principal of Consolidated Funded Indebtedness of such Person and its Subsidiaries scheduled to be paid during such period (including the amount of any prepayments of such Indebtedness that were made in prior periods and excluding any payments pursuant to Section 2.05(c)(ii)), plus (b) Consolidated Net Interest Expense payable in cash of such Person and its Subsidiaries for such period (excluding closing or amendment fees to the extent constituting Consolidated Net Interest Expense).

"Funding Losses" has the meaning specified therefor in Section 2.04(d)(ii)(B).

"Funds Flow Agreement" means that certain Funds Flow Agreement, dated of even date herewith, by and among the Administrative Agent, the Lenders, and each Loan Party.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States, applied on a consistent basis; provided, however, that for the purpose of Sections 7.02 and 7.03 and the definitions used therein, "GAAP" shall mean generally accepted accounting principles in effect on the date hereof and consistent with those used in the preparation of the Financial Statements; provided further, however, that if there occurs after the date of this Agreement any change in GAAP that affects in any respect any of the covenants contained in Section 7.02 or the calculation of any covenant contained in Section 7.03, and in each case, the definitions used therein, the Agents and the Borrower shall negotiate in good faith amendments to the provisions of this Agreement that relate to such negative covenants or the calculation of such financial covenants with the intent of having the respective positions of the Lenders and the Loan Parties after such change in GAAP conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon, the covenants in Sections 7.02 and 7.03 shall be calculated as if no such change in GAAP had occurred; provided, further, any change in GAAP requiring leases which were

previously classified as operating leases to be treated as capitalized leases shall be ignored for the purpose of determining Indebtedness hereunder and such leases shall continue to be treated as operating leases for such purposes consistent with GAAP as in effect on the date hereof.

"Governmental Authority" means any nation or government, any Federal, state, province, territory, city, town, municipality, county, local or other political subdivision thereof or thereto and any department, commission, board, bureau, instrumentality, agency or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Guaranteed Obligations" has the meaning specified therefor in Section 11.01.

"Guarantor" and "Guarantors" means (a) the Ultimate Parent, (b) the Canadian Borrower and (c) each other Person which guarantees, pursuant to Section 7.01(b) or otherwise, all or any part of the Obligations.

"Guaranty" means (a) the guaranty of each Guarantor party hereto contained in Article XI hereof, and (b) each other guaranty, in form and substance reasonably satisfactory to the Collateral Agent, made by any other Guarantor in favor of the Collateral Agent for the benefit of the Agents and the Lenders guaranteeing all or part of the Obligations pursuant to the requirements of Section 7.01(b) or otherwise.

"Hazardous Materials" means (a) any element, compound or chemical that is defined, listed or otherwise classified as a hazardous material, contaminant, pollutant, toxic pollutant, toxic or hazardous substance, extremely hazardous substance, hazardous waste, special waste, solid waste, or dangerous good under Environmental Laws, including, without limitation, any such element, compound or chemical which is present in the environment in such quantity or state that it contravenes any applicable Environmental Law; (b) petroleum and its refined products; (c) polychlorinated biphenyls; (d) any substance exhibiting a hazardous waste characteristic, including, without limitation, corrosivity, ignitability, toxicity or reactivity (e) any radioactive or explosive materials; and (f) any asbestos or asbestos-containing materials.

"Hedging Agreement" means any interest rate, foreign currency, commodity or equity swap, collar, cap, floor or forward rate agreement, or other agreement or arrangement designed to protect against fluctuations in interest rates or currency, commodity or equity values (including, without limitation, any option with respect to any of the foregoing and any combination of the foregoing agreements or arrangements), and any confirmation executed in connection with any such agreement or arrangement.

"Highest Lawful Rate" means, with respect to any Agent or any Lender, the maximum non-usurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Obligations under laws applicable to such Agent or such Lender which are currently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum non-usurious interest rate than applicable laws now allow.

"Holdout Lender" has the meaning specified therefor in Section 10.10.

"Indebtedness" means, with respect to any Person, without duplication, (a) all indebtedness of such Person for borrowed money; (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables or other accounts payable incurred in the ordinary course of such Person's business and not past due for more than 90 days after the date such payable was created (unless, in each case, being contested in good faith by appropriate proceedings or unless constituting intercompany payables); (c) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments or upon which interest payments are customarily made; (d) all reimbursement, payment or other obligations and liabilities of such Person created or arising under any conditional sales or other title retention agreement with respect to property used and/or acquired by such Person, even though the rights and remedies of the lessor, seller and/or lender thereunder may be limited to repossession or sale of such property; (e) all Capitalized Lease Obligations of such Person; (f) all unpaid reimbursement obligations and liabilities of such Person, in respect of letters of credit, acceptances and similar facilities (other than letters of credit secured by cash collateral as of the Effective Date); (g) all obligations and liabilities, calculated on a basis reasonably satisfactory to the Agents and in accordance with accepted practice, of such Person under Hedging Agreements; (h) all Contingent Obligations in respect of obligations described in clauses (a) through (g) above; (i) liabilities incurred under Title IV of ERISA with respect to any plan (other than a Multiemployer Plan) covered by Title IV of ERISA and maintained for employees of such Person or any of its ERISA Affiliates; (j) withdrawal liability incurred under ERISA by such Person or any of its ERISA Affiliates with respect to any Multiemployer Plan; (k) all monetary obligations under any receivables factoring, receivable sales or similar transactions and all monetary obligations under any synthetic lease, tax ownership/operating lease, off-balance sheet financing or similar financing; and (l) all obligations referred to in clauses (a) through (k) of this definition of another Person secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) a Lien upon property owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness. The Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture in which such Person is a general partner or a joint venturer, to the extent such Indebtedness has recourse to such Person. Any amount of any Indebtedness for which recourse is expressly limited to a specific asset shall be limited to the fair market value of such asset. For the avoidance of doubt, "Indebtedness" shall not include any amounts payable to Aterian or its Affiliates under the Management Agreement, whether or not such payments are, by their terms, blocked hereunder.

"Indiana Plant" means the facility located at 802 South Fellows, South Bend, Indiana 46601.

"Increased Cost Lender" has the meaning specified therefor in Section 10.10.

"Indemnified Matters" has the meaning specified therefor in Section 12.15.

"Indemnified Taxes" has the meaning specified therefor in Section 2.08.

"Indemnitees" has the meaning specified therefor in Section 12.15.

"Insolvency Proceeding" means any proceeding commenced by or against any Person under any provision of the Bankruptcy Code, the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) or under any other bankruptcy or insolvency law, assignments for the benefit of creditors, formal or informal moratoria, compositions, or extensions generally with creditors, or proceedings seeking reorganization, arrangement, dissolution or winding-up or other similar relief (including, without limitation, the Canada Business Corporations Act in respect of any of the foregoing).

"Intercompany Subordination Agreement" means the Intercompany Subordination Agreement, dated as of the Effective Date, duly executed by each of the Loan Parties, substantially in the form of Exhibit I-1.

"Interest Period" means, with respect to each LIBOR Rate Loan, a period commencing on the date of the making of such LIBOR Rate Loan (or the continuation of a LIBOR Rate Loan or the conversion of a Reference Rate Loan to a LIBOR Rate Loan) and ending 1, 2 or 3 months thereafter; provided, however, that (a) if any Interest Period would end on a day that is not a Business Day, such Interest Period shall be extended (subject to clauses (c)-(e) below) to the next succeeding Business Day, (b) interest shall accrue at the applicable rate based upon the LIBOR Rate from and including the first day of each Interest Period to, but excluding, the day on which any Interest Period expires, (c) any Interest Period that would end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day, (d) with respect to an 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), the Interest Period shall end on the last Business Day of the calendar month that is 1, 2 or 3 months after the date on which the Interest Period began, as applicable, and (e) the Administrative Borrower may not elect an Interest Period which will end after the Final Maturity Date.

"Inventory" means, with respect to any Person, all goods and merchandise of such Person, including, without limitation, all raw materials, work-in-process, packaging, supplies, materials and finished goods of every nature used or usable in connection with the shipping, storing, advertising or sale of such goods and merchandise, whether now owned or hereafter acquired, and all such other property the sale or other disposition of which would give rise to an Account Receivable or cash, but excluding Equipment.

"IRC" means the Internal Revenue Code of 1986, as amended (or any successor statute thereto) and the regulations thereunder.

"Joinder" means a joinder agreement, pursuant to which any Person is joined as a "Guarantor" pursuant to Section 7.01(b) or otherwise, by and between such Person and the Agents.

"Lease" means any lease of real property to which any Loan Party or any of its Subsidiaries is a party as lessor or lessee.

"Lender" and "Lenders" have the meanings specified therefor in the preamble hereto.

"Lender Group" means, individually and collectively, each of the Lenders and each of the Agents.

"Leverage Ratio" means, as of any date of determination, the ratio of Consolidated Funded Indebtedness (minus Qualified Cash) of the Parent and its Subsidiaries as of such date of determination to TTM EBITDA of the Parent and its Subsidiaries for the most recently ended 12 consecutive fiscal months as to which financial statements have been delivered to the Agents pursuant hereto.

"Liabilities" has the meaning specified therefor in Section 2.07.

"LIBOR Deadline" has the meaning specified therefor in Section 2.04(d)(ii)(A).

"LIBOR Notice" means a written notice in the form of Exhibit L-1.

"LIBOR Option" has the meaning specified therefor in Section 2.04(d)(i).

"LIBOR Rate" means, for each Interest Period for each LIBOR Rate Loan, the rate per annum determined by the Administrative Agent (rounded upwards if necessary, to the next 1/100%) by dividing (a) the Base LIBOR Rate for such Interest Period, by (b) 100% minus the Reserve Percentage. The LIBOR Rate shall be adjusted on and as of the effective day of any change in the Reserve Percentage.

"LIBOR Rate Loan" means each portion of a Loan that bears interest at a rate determined by reference to the LIBOR Rate.

"Lien" means any mortgage, deed of trust, pledge, lien (statutory or otherwise), security interest, charge, hypothec or other encumbrance or security or preferential arrangement of any nature, including, without limitation, any conditional sale or title retention arrangement, any Capitalized Lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security. For the avoidance of doubt, "Lien" shall not be deemed to include licenses of intellectual property.

"Loan" means any Revolving Loan or any Term Loan made by an Agent or a Lender to the Borrower pursuant to Article II hereof.

"Loan Account" means an account maintained hereunder by the Administrative Agent on its books of account at the Payment Office, and with respect to the US Borrowers and Canadian Borrower, in which such Borrower will be charged with all Loans made to, and all other Obligations incurred by, such Borrower.

"Loan Document" means this Agreement, any Control Agreement, the Funds Flow Agreement, the Intercompany Subordination Agreement, the Seller Subordination Agreement, any Guaranty, any Security Agreement, any Joinder, any Mortgage, the Collateral Assignment and any other agreement, certificate, instrument, and other document executed and

delivered pursuant hereto or thereto or otherwise evidencing or securing any Loan or any other Obligation.

"Loan Party" means any Borrower and any Guarantor.

"Loan Servicing Fee" has the meaning specified therefor in Section 2.06(e).

"Losses" has the meaning specified therefor in Section 12.15.

"Management Agreement" means that certain Consulting Agreement dated as of the date hereof, by and between Borrower Representative and Aterian Investment Advisors, LLC, a Delaware limited liability company, as in effect on the Effective Date and as amended in accordance with Section 7.02(m).

"Material Adverse Effect" means a material adverse effect on any of (a) the operations, business, assets, properties, or financial condition of the Loan Parties taken as a whole, (b) the ability of the Loan Parties taken as a whole to perform any of their obligations under the Loan Documents, (c) the legality, validity or enforceability of this Agreement or any other material Loan Document, (d) the rights and remedies of any Agent or any Lender under any Loan Document, or (e) the validity, perfection or priority of a Lien in favor of the Collateral Agent for the benefit of the Agents and the Lenders on any of the Collateral (except as otherwise contemplated in this Agreement or the Security Agreement), and other than an item or items of Collateral having an aggregate fair market value of less than \$400,000.

"Material Contract" means, with respect to any Person, (a) each contract or agreement to which such Person or any of its Subsidiaries is a party involving aggregate consideration payable to or by such Person or such Subsidiary of \$1,000,000 or more (other than purchase orders and hedging contracts in the ordinary course of the business of such Person or such Subsidiary and other than contracts that by their terms may be terminated by such Person or Subsidiary in the ordinary course of its business upon less than 60 days notice without penalty or premium) and (b) all other contracts or agreements the loss of which could reasonably be expected to result in a Material Adverse Effect on such Person (viewed on a consolidated basis with its parent and subsidiary companies).

"Maximum Judgment Amount" has the meaning specified therefor in Section 9.01(j).

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" means a mortgage, deed of trust, debenture or deed to secure debt, substantially in the form of Exhibit M-1, made by a Loan Party in favor of the Collateral Agent for the benefit of the Agents and the Lenders, securing the Obligations and delivered to the Collateral Agent pursuant to the provisions hereof or otherwise.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which any Loan Party or any of its ERISA Affiliates has contributed to, or has been obligated to contribute, at any time during the preceding six (6) years.

"Net Amount of Eligible Accounts Receivable" means the aggregate unpaid invoice amount of Eligible Accounts Receivable less, without duplication, sales, excise or similar taxes, returns, discounts, chargebacks, claims, advance payments, credits and allowances of any nature at any time issued, owing, granted, outstanding, available or claimed with respect to such Eligible Accounts Receivable.

"Net Cash Proceeds" means, (a) with respect to any Disposition by any Person or any of its Subsidiaries, the aggregate amount of cash received (directly or indirectly) from time to time (whether as initial consideration or through the payment or disposition of deferred consideration) by or on behalf of such Person or such Subsidiary, in connection therewith after deducting therefrom only (i) the amount of any Indebtedness secured by any Permitted Lien on any asset (other than Indebtedness assumed by the purchaser of such asset) which is required to be, and is, repaid in connection with such Disposition (other than Indebtedness under this Agreement), (ii) reasonable expenses and transaction or underwriting fees related thereto incurred by such Person or such Subsidiary in connection therewith, (iii) transfer or real property taxes paid to any taxing authorities by such Person or such Subsidiary in connection therewith, and (iv) net income taxes to be paid in connection with such Disposition (after taking into account any tax credits or deductions and any tax sharing arrangements) and (b) with respect to the issuance or incurrence of any Indebtedness by any Person or any of its Subsidiaries, or an Equity Issuance, the aggregate amount of cash received (directly or indirectly) from time to time (whether as initial consideration or through the payment or disposition of deferred consideration) by or on behalf of such Person or such Subsidiary in connection therewith, after deducting therefrom only (i) reasonable expenses related thereto incurred by such Person or such Subsidiary in connection therewith, (ii) transfer taxes paid by such Person or such Subsidiary in connection therewith and (iii) net income taxes to be paid in connection therewith (after taking into account any tax credits or deductions and any tax sharing arrangements); in each case of clause (a) and (b) to the extent, but only to the extent, that the amounts so deducted are (x) actually paid to a Person that, except in the case of reasonable out-of-pocket expenses, is not an Affiliate of such Person or any of its Subsidiaries (other than a portfolio company controlled by Aterian or any of its Affiliates) and (y) properly attributable to such transaction or to the asset that is the subject thereof.

"New Lending Office" has the meaning specified therefor in Section 2.08(d).

"Net Working Capital" means, at any time, Consolidated Current Assets at such time minus Consolidated Current Liabilities at such time.

"New Subsidiary" has the meaning specified therefor in Section 7.01(b).

"Non-U.S. Lender" has the meaning specified therefor in Section 2.08(d).

"Notice of Borrowing" has the meaning specified therefor in Section 2.02(a).

"Obligations" means all present and future indebtedness, obligations, and liabilities of each Loan Party to the Agents and the Lenders arising under or in connection with this Agreement or any other Loan Document, whether or not the right of payment in respect of such claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, disputed,

undisputed, legal, equitable, secured, unsecured, and whether or not such claim is discharged, stayed or otherwise affected by any proceeding referred to in Section 9.01. Without limiting the generality of the foregoing, the Obligations of each Loan Party under the Loan Documents include (a) the obligation (irrespective of whether a claim therefor is allowed in any Insolvency Proceeding) to pay principal, interest, charges, expenses, fees, attorneys' fees and disbursements, indemnities and other amounts payable by such Person under the Loan Documents, and (b) the obligation of such Person to reimburse any amount in respect of any of the foregoing that any Agent or any Lender (in its sole discretion) may elect to pay or advance on behalf of such Person.

"Operating Lease Obligations" means all obligations for the payment of rent for any real or personal property under leases or agreements to lease, other than Capitalized Lease Obligations.

"Other Taxes" has the meaning specified therefor in Section 2.08(b).

"Parent" has the meaning specified therefor in the preamble hereto.

"Participant Register" has the meaning specified therefor in Section 12.07(g).

"Payment Office" means the Administrative Agent's office located at 875 Third Avenue, New York, New York, 10022 or at such other office or offices of the Administrative Agent in the United States as may be designated in writing from time to time by the Administrative Agent to the Collateral Agent and the Administrative Borrower.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Perfection Certificate" means a certificate in form and substance reasonably satisfactory to the Collateral Agent providing information with respect to the property of each Loan Party.

"Permitted Dispositions" means (a) sales or other dispositions of Inventory to buyers in the ordinary course of business, (b) sales or other dispositions of obsolete or worn-out Equipment in the ordinary course of business, provided that the Net Cash Proceeds of such sales or other dispositions do not to exceed \$200,000 in the aggregate during any calendar year, (c) sales or other dispositions of other property or assets for cash in an aggregate amount not less than the fair market value of such property or assets, provided that the Net Cash Proceeds of such Dispositions in the case of clause (c) do not exceed \$100,000 in the aggregate in any twelve-month period, (d) the use or transfer of Cash and Cash Equivalents by the Parent and its Subsidiaries in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents, (e) the licensing by any Loan Party of patents, trademarks, copyrights, and other intellectual property rights on a non-exclusive basis in the ordinary course of business, (f) the transfer, assignment, cancellation, abandonment or other disposition of patents, trademarks, copyrights or other intellectual property rights which are, in the judgment of a Loan Party, no longer used or useful in the business of any Loan Party, (g) the granting of easements, leases or subleases to other Persons not materially interfering with the conduct of business of any of the Loan Parties, (h) sales or other dispositions of assets from any Loan Party (other than the Parent)

to any other Loan Party (other than the Parent), (i) the expiration of any contract, contract right or other agreement in accordance with its term, (j) [reserved], (k) as permitted under Section 7.02(c) hereof, (l) Dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding, (m) Dispositions of accounts receivable in connection with the compromise, settlement or collection thereof, (n) sales or other dispositions set forth on Schedule P-1, (o) sales or other dispositions of assets by a CFC to a US Loan Party, (p) sales or other dispositions of assets by a US Loan Party to a CFC in an aggregate amount not to exceed \$200,000 after the Effective Date and (q) the forgiveness of loans made to a Loan Party permitted pursuant to clause (iv) of Section 7.02(e).

"Permitted Holder" means Aterian and each of its Affiliates.

"Permitted Indebtedness" means:

(a) any Indebtedness owing to any Agent or any Lender under this Agreement and the other Loan Documents;

(b) Indebtedness (other than Indebtedness described in clauses (c) or (d) below) listed on Schedule 7.02(b)(i), and the extension of maturity, refinancing or modification of the terms thereof; provided, however, that (i) such extension, refinancing or modification is pursuant to terms that are not less favorable in any material respect to the Loan Parties and the Lenders than the terms of the Indebtedness being extended, refinanced or modified and (ii) after giving effect to such extension, refinancing or modification, the amount of such Indebtedness is not greater than the amount of Indebtedness outstanding immediately prior to such extension, refinancing or modification plus accrued interest thereon and the fees incurred in connection with the extension, refinancing, or modification;

(c) Indebtedness evidenced by Capitalized Lease Obligations entered into in order to finance Capital Expenditures made by the Loan Parties in accordance with the provisions of Section 7.03(c), which Indebtedness, when aggregated with the principal amount of all Indebtedness incurred under this clause (c) and clause (d) of this definition, does not exceed \$400,000 at any time outstanding;

(d) purchase money Indebtedness incurred to enable a Loan Party to acquire Equipment in the ordinary course of its business, which Indebtedness, when aggregated with the principal amount of all Indebtedness incurred under clause (c) and this clause (d) of this definition, does not exceed \$400,000 at any time outstanding;

(e) Indebtedness in respect of guarantees by a Loan Party in respect of Indebtedness of any other Loan Party permitted hereunder;

(f) Indebtedness in respect of guarantees by a Loan Party in respect of Operating Lease Obligations of any other Loan Party and in respect of other contractual obligations incurred in the ordinary course of business, in each case, to the extent such Operating Lease Obligations or contractual obligations are not prohibited hereby;

(g) Indebtedness under the Seller Subordinated Note and other Indebtedness under any Acquisition Document for indemnification, adjustment of purchase price, earnouts or similar obligations;

(h) Indebtedness of either Parent or any of their Subsidiaries incurred by any Loan Party arising from agreements providing for indemnification, adjustment of purchase price or similar obligations in connection with any Disposition (to the extent such Disposition occurred prior to the Effective Date or is expressly permitted by the terms hereof) of any business, assets or Subsidiary of a Loan Party;

(i) Indebtedness in respect of netting services, overdraft protections and otherwise in connection with deposit accounts, to the extent such arrangement is customary and is entered into in the ordinary course of business;

(j) Indebtedness owed by one Loan Party to another Loan Party so long as the making of the Investment by the Loan Party that is acting as the lender is permitted hereunder;

(k) Indebtedness permitted under Section 7.02(e);

(l) Indebtedness of either Parent or any of their Subsidiaries under any Hedging Agreement in an aggregate amount not to exceed \$3,000,000 in notional amount so long as such Hedging Agreements are used solely as a part of such Person's normal business operations as a risk management strategy or hedge against changes resulting from market operations and not as a means to speculate for investment purposes on trends and shifts in financial or commodities markets;

(m) Indebtedness of any Loan Party incurred in connection with the purchase of Equity Interests from employees who have ceased their employment with such Loan Party so long as such Indebtedness has been expressly subordinated in right of payment to all Indebtedness of such Loan Party under the Loan Documents by documentation that is in form and substance satisfactory to the Agents;

(n) Indebtedness owed to insurance companies to finance insurance premium in the ordinary course of business;

(o) Indebtedness owed pursuant to the Management Agreement;

(p) obligations in respect of customs, stay, performance, utility, bid, appeal and surety bonds and completion guarantees and other obligations of a like nature arising in the ordinary course of business;

(q) [reserved];

(r) other unsecured Indebtedness in an aggregate amount not to exceed \$500,000; and

(s) Indebtedness under letters of credit issued by commercial banks or other financial institutions in an aggregate amount not to exceed \$1,000,000.

"Permitted Investments" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States Government or issued by any agency or instrumentality thereof and backed by the full faith and credit of the United States, in each case, maturing within six months from the date of acquisition thereof; (b) commercial paper, maturing not more than 270 days after the date of issue rated P-1 by Moody's or A-1 by Standard & Poor's; (c) certificates of deposit maturing not more than 270 days after the date of issue, issued by commercial banking institutions and money market or demand deposit accounts maintained at commercial banking institutions, each of which is a member of the Federal Reserve System and has a combined capital and surplus and undivided profits of not less than \$500,000,000; (d) repurchase agreements having maturities of not more than 90 days from the date of acquisition which are entered into with banks included in the commercial banking institutions described in clause (c) above and which are secured by readily marketable direct obligations of the United States Government or any agency thereof, (e) money market accounts maintained with mutual funds having assets in excess of \$2,500,000,000; and (f) tax exempt securities rated A or better by Moody's or A+ or better by Standard & Poor's.

"Permitted Liens" means:

- (a) Liens securing the Obligations;
- (b) Liens for taxes, assessments, levies, and governmental charges the payment of which is not required under Section 7.01(c);
- (c) Liens imposed by law, such as carriers', warehousemen's, mechanics', materialmen's and other similar Liens arising in the ordinary course of business and securing obligations (other than Indebtedness for borrowed money) that are (x) not overdue by more than 30 days, (y) not in excess of \$100,000 or (z) are being contested in good faith and by appropriate proceedings promptly initiated and diligently conducted, and a reserve or other appropriate provision, if any, as shall be required by GAAP shall have been made therefor;
- (d) Liens described on Schedule 7.02(a)(i), provided, that (i) no such Lien shall at any time be extended to cover any additional property not subject thereto on the Effective Date and (ii) the principal amount of the Indebtedness secured by such Liens shall not be extended, renewed, refunded or refinanced other than in accordance with clause (b) of the definition of Permitted Indebtedness;
- (e) Liens arising under Capitalized Leases permitted under clause (c) of the definition of "Permitted Indebtedness" or securing purchase money Indebtedness permitted under clause (d) of the definition of "Permitted Indebtedness"; provided, however, that (A) no such Lien shall extend to or cover any other property of any Loan Party or any of its Subsidiaries and (B) the principal amount of the Indebtedness secured by any such Lien shall not exceed the lesser of the fair market value or the cost of the property so held or acquired;
- (f) deposits and pledges of cash securing (i) obligations incurred in respect of workers' compensation, unemployment insurance or other forms of governmental insurance or benefits, (ii) the performance of bids, tenders, leases, contracts (other than for the payment of money) and statutory obligations or (iii) obligations in respect of customs, stay, performance,

utility, bid, appeal and surety bonds and completion guarantees and other obligations of a like nature, but only to the extent such deposits or pledges are made or otherwise arise in the ordinary course of business and secure obligations not past due or are being contested in good faith by appropriate proceedings promptly initiated and diligently conducted, and a reserve or other appropriate provision, if any, as shall be required by GAAP shall have been made therefor;

(g) easements, covenants, conditions, restrictions, zoning restrictions and similar encumbrances on real property and irregularities in the title thereto that (i) do not (A) secure obligations for the payment of money or (B) materially impair the value of such property or its use by any Loan Party or any of its Subsidiaries in the normal conduct of such Person's business, (ii) are disclosed in the applicable Title Insurance Policy provided to and accepted by the Collateral Agent, or (iii) deed restrictions or institutional controls utilized in connection with a Remedial Action;

(h) leases or subleases granted to other Persons not materially interfering with the conduct of the business of the Parent or any of its Subsidiaries;

(i) precautionary financing statement filings under the Code regarding operating leases;

(j) Liens arising out of the existence of judgments or awards (or appeal bonds relating thereto) not giving rise to an Event of Default under Section 9.01(j);

(k) statutory and common law landlords' liens under leases to which the Parent or any of its Subsidiaries is a party;

(l) Liens on deposits of Cash and Cash Equivalents in order to secure obligations arising under Hedging Agreements permitted under clause (l) of the definition of "Permitted Indebtedness";

(m) any interest or title of a licensor, sublicensor, lessor or sublessor under any license or lease agreement entered into in the ordinary course of a Loan Party's business;

(n) licenses, sublicenses, leases or subleases granted to third Persons in the ordinary course of a Loan Party's business not interfering in any material respect with the business of any Loan Party;

(o) rights of setoff or bankers' liens in favor of banks or other depository institutions arising in the ordinary course of business and Liens in favor of collecting banks arising under Section 4-210 of the Code;

(p) Liens securing refinancing Indebtedness permitted to be incurred hereunder; provided, that such Liens do not extend to any property or assets other than the property or assets that served as collateral for the refinanced Indebtedness;

(q) Liens in favor of insurers (or other Persons financing the payment of insurance premiums) securing Indebtedness of the type described in clause (n) of the definition of "Permitted Indebtedness" financing the premiums payable in respect of insurance policies

issued by such insurers; provided that such Liens attach solely to returned premiums in respect of such policies;

(r) unperfected interests of seller to reclaim goods delivered under §2-507 of the Code;

(s) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(t) [Reserved];

(u) Liens encumbering deposit accounts and the cash collateral (including Cash Equivalents) in such accounts which secures Indebtedness pursuant to clause (s) of the definition of Permitted Indebtedness;

(v) Liens in respect of Indebtedness permitted under clause (t) of the definition of Permitted Indebtedness so long as such Liens do not extend to any property or assets other than financed receivables and the proceeds thereof; and

(w) other Liens not specifically listed above securing obligations (other than Indebtedness) not to exceed \$100,000 in the aggregate outstanding at any time.

Notwithstanding anything to the contrary contained in this Agreement or any other Loan Document (including any provision for, reference to, or acknowledgement of, any Lien, or Permitted Lien), nothing herein and no approval by the Agents or Lenders of any Lien or Permitted Lien (whether such approval is oral or in writing) shall be construed as or deemed to constitute a subordination by the Agents or the Lenders of any security interest or other right, interest or Lien in or to the Collateral or any part thereof in favor of any Lien or Permitted Lien or any holder of any Lien or Permitted Lien.

"Permitted Management Fees" means, during any Fiscal Year of the Ultimate Parent, the greater of 5% of EBITDA (as defined in the Management Agreement as in effect on the date hereof) and \$500,000; provided that Permitted Management Fees paid during such Fiscal Year shall not exceed \$41,667 per month, plus, following the delivery of December financial statements for such Fiscal Year required by Section 7.01(a)(iii), the amount of such fees, if any, permitted without regard to this proviso.

"Permitted Tax Distributions" shall mean cash dividends or distributions to Parent (which may in turn be distributed to the direct and indirect members of Parent where Parent is a flow-through entity for U.S. income tax purposes) in an amount equal to the product of: (A) Parent's taxable income to be reported as income to its direct or indirect members for federal and state income tax purposes for the Tax Year in question *multiplied* by (B) the Combined Effective Marginal Tax Rate. If the amount of the tax distribution to be made by the Borrower with respect to any Tax Year plus the amount of all previous tax distributions made for prior Tax Years exceeds Parent's income as reported as income to its members for federal and state income tax purposes for such Tax Year and all previous Tax Years multiplied by the Combined Effective Marginal Tax Rate, then an amount equal to such excess shall be treated as a credit (and shall reduce) future tax distributions otherwise permitted hereunder on a dollar for dollar basis.

Permitted Tax Distributions shall be reduced by any income taxes paid by the Borrower or its Affiliates that are eligible to be treated as a credit or deduction by the, direct or indirect, equityholders of the Borrower. Permitted Tax Distributions shall be calculated disregarding any cancellation of indebtedness income.

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

"Post-Default Rate" means a rate of interest per annum equal to the rate of interest otherwise in effect from time to time pursuant to the terms of this Agreement plus 2.0 percentage points, or, if a rate of interest is not otherwise in effect, interest at the highest rate specified herein for any Loan then outstanding prior to the Event of Default plus 2.0 percentage points.

"PPSA" means collectively the *Personal Property Security Act* (Ontario) (as amended and in effect from time to time) or any other applicable Canadian federal or provincial statute pertaining to the granting, perfecting, priority or ranking of security interests, liens, hypothecs on personal and movable property, and any successor statutes, together with any regulations thereunder, as in effect from time to time. References to sections of the PPSA shall be construed to also refer to any successor sections.

"Pro Rata Share" means:

(a) with respect to a Lender's obligation to make Revolving Loans and receive payments of interest, fees, and principal with respect thereto, the percentage obtained by dividing (i) such Lender's Revolving Credit Commitment, by (ii) the Total Revolving Credit Commitment, provided, that, if the Total Revolving Credit Commitment has been reduced to zero, the numerator shall be the aggregate unpaid principal amount of such Lender's Revolving Loans (including Agent Advances) and the denominator shall be the aggregate unpaid principal amount of all Revolving Loans (including Agent Advances),

(b) with respect to a Lender's obligation to make the Term Loan and receive payments of interest, fees, and principal with respect thereto, the percentage obtained by dividing (i) such Lender's Term Loan Commitment, by (ii) the Total Term Loan Commitment, provided that if the Total Term Loan Commitment has been reduced to zero, the numerator shall be the aggregate unpaid principal amount of such Lender's portion of the Term Loan and the denominator shall be the aggregate unpaid principal amount of the Term Loan, and

(c) with respect to all other matters (including, without limitation, the indemnification obligations arising under Section 10.05), the percentage obtained by dividing (i) the sum of such Lender's Revolving Credit Commitment and the unpaid principal amount of such Lender's portion of the Term Loan, by (ii) the sum of the Total Revolving Credit Commitment and the aggregate unpaid principal amount of the Term Loan, provided, that, if such Lender's Revolving Credit Commitment shall have been reduced to zero, such Lender's Revolving Credit Commitment shall be deemed to be the aggregate unpaid principal amount of such Lender's Revolving Loans (including Agent Advances) and if the Total Revolving Credit Commitment shall have been reduced to zero, the Total Revolving Credit Commitment shall be

deemed to be the aggregate unpaid principal amount of all Revolving Loans (including Agent Advances).

"Purchaser" means Parent.

"Qualified Equity Interests" means, with respect to any Person, all Equity Interests of such Person that are not Disqualified Equity Interests.

"Qualified Cash" means, as of any date of determination, the amount of unrestricted Cash and Cash Equivalents of the Parent and its Subsidiaries (net of the aggregate amount of outstanding checks written by the Parent and the other Loan Parties) that is subject to a Control Agreement in favor of the Collateral Agent or with respect to which the Collateral Agent is the depositary or securities intermediary and that is on deposit with banks, or in securities accounts with securities intermediaries, or any combination thereof.

"Rating Agencies" has the meaning specified therefor in Section 2.07.

"Real Property Collateral" means the real property identified on Schedule R-1 and any real estate property owned in fee hereafter acquired by the Parent or the other Loan Parties that is required by the terms of this Agreement to be subject to a Mortgage.

"Reference Bank" means JPMorgan Chase Bank, its successors or any other commercial bank designated by the Administrative Agent to the Administrative Borrower from time to time.

"Reference Rate" means the greater of (a) 3.25% per annum and (b) the rate of interest publicly announced by the Reference Bank from time to time as its reference rate, base rate or prime rate. The reference rate, base rate or prime rate is determined from time to time by the Reference Bank as a means of pricing some loans to its borrowers and neither is tied to any external rate of interest or index nor necessarily reflects the lowest rate of interest actually charged by the Reference Bank to any particular class or category of customers. Each change in the Reference Rate shall be effective from and including the date such change is publicly announced as being effective.

"Reference Rate Loan" means each portion of a Loan that bears interest at a rate determined by reference to the Reference Rate.

"Register" has the meaning specified therefor in Section 12.07(d).

"Registered Loan" has the meaning specified therefor in Section 12.07(d).

"Regulation T", "Regulation U" and "Regulation X" mean, respectively, Regulations T, U and X of the Board or any successor, as the same may be amended or supplemented from time to time.

"Reinvestment Eligible Funds" means (a) Net Cash Proceeds which, but for the application of Section 2.05(d)(ii), would be required to be used to prepay the Term Loan pursuant to Section 2.05(c)(iv) or (b) Extraordinary Receipts consisting of insurance or

condemnation proceeds paid as the result of loss, destruction, casualty, condemnation or expropriation which, but for the application of Section 2.05(d)(ii), would be required to be used to prepay the Term Loan pursuant to Section 2.05(c)(vi).

"Reinvestment Notice" has the meaning specified therefor in Section 2.05(d).

"Related Fund" means, with respect to any Person, an Affiliate of such Person, or a fund or account managed by such Person or an Affiliate of such Person.

"Related Parties" has the meaning specified therefor in Section 12.15(a).

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, seeping, migrating, dumping or disposing of any Hazardous Material (including the abandonment or discarding of barrels, containers and other closed receptacles containing any Hazardous Material) into the indoor or outdoor environment in excess of a reportable quantity, including, without limitation, the movement of Hazardous Materials through or in the ambient air, soil, surface or ground water, or real property.

"Remedial Action" means all actions taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate or in any other way required by applicable Environmental Laws or Governmental Authority to address a Release of Hazardous Materials in the indoor or outdoor environment or violation of Environmental Law; (b) prevent or minimize a Release or threatened Release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; or (c) perform pre-remedial studies and investigations and post-remedial operation and maintenance activities.

"Replacement Lender" has the meaning specified therefor in Section 10.10.

"Reportable Event" means an event described in Section 4043(c) of ERISA (other than an event not subject to the provision for 30-day notice to the PBGC under the regulations promulgated under such Section).

"Required Lenders" means Lenders whose Pro Rata Shares (calculated under clause (c) of the definition thereof) aggregate more than 50%.

"Requirements of Law" means, with respect to any Person, collectively, all federal, state, provincial, local, foreign, multinational or international laws, statutes, codes, treaties, standards, rules and regulations, guidelines, ordinances, orders, judgment, writs, injunctions, decrees (including administrative or judicial precedents or authorities) and the interpretation or administration thereof by, and other determinations, directives, requirements or requests of, any Governmental Authority, in each case that are applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Reserve Percentage" means, on any day, for any Lender, the maximum percentage prescribed by the Board (or any successor Governmental Authority) for determining the reserve requirements (including any basic, supplemental, marginal, or emergency reserves) that are in effect on such date with respect to eurocurrency funding (currently referred to as

"eurocurrency liabilities") of that Lender, but so long as such Lender is not required or directed under applicable regulations to maintain such reserves, the Reserve Percentage shall be zero.

"Revolving Credit Commitment" means, with respect to each Lender, the commitment of such Lender to make Revolving Loans to the US Borrowers in the amount set forth opposite such Lender's name in Schedule C-1 hereto, as such amount may be terminated or reduced from time to time in accordance with the terms of this Agreement.

"Revolving Loan" means a loan made by a Lender to the US Borrowers pursuant to Section 2.01(a)(i).

"Revolving Loan Lender" means a Lender with a Revolving Credit Commitment.

"Revolving Loan Obligations" means any Obligations with respect to the Revolving Loans (including without limitation, the principal thereof, the interest thereon, and the fees and expenses specifically related thereto).

"Saginaw Reserve" means, in respect of the facility leased by Saginaw LLC in Saginaw, Michigan, a rent reserve equal to \$120,000.

"SEC" means the Securities and Exchange Commission or any other similar or successor agency of the Federal government administering the Securities Act.

"Securities Act" means the Securities Act of 1933, as amended, or any similar Federal statute, and the rules and regulations of the SEC thereunder, all as the same shall be in effect from time to time.

"Securitization" has the meaning specified therefor in Section 2.07.

"Securitization Parties" has the meaning specified therefor in Section 2.07.

"Security Agreement" means a Pledge and Security Agreement, in form and substance reasonably satisfactory to Agents, made by a US Loan Party in favor of the Collateral Agent for the benefit of the Agents and the Lenders, securing the US Obligations and delivered to the Collateral Agent.

"Sellers" means Bluewater, together with its respective successors and assigns under the Acquisition Agreement.

"Seller Subordination Agreement" means a Subordination and Intercreditor Agreement, in form and substance reasonably satisfactory to Agents, by and among Bluewater, the Parent, the Parent's Subsidiaries party thereto and Agents.

"Solvent" means, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person on a going concern basis is not less than the total amount of the liabilities of such Person, (b) the present fair salable value of the assets of such Person on a going concern basis is not less than the amount that will be required to pay the probable liability of such Person on its existing debts as they become absolute and matured,

(c) such Person is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and other commitments as they mature in the normal course of business, (d) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature, and (e) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute unreasonably small capital.

"Sponsor Investment" means a cash investment of no less than \$20,750,000 made by Aterian and its Affiliates and management of the Loan Parties (of which no less than \$19,250,000 shall be funded by Aterian and its Affiliates) into Ultimate Parent, which is thereafter made by Ultimate Parent into Parent, on or prior to the Effective Date.

"Sponsor Investment Documents" means any documents executed in connection with the Sponsor Investment.

"Standard & Poor's" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

"Subordinated Seller Note" means a note issued by Parent to Bluewater on the Effective Date in the amount of \$10,000,000, the terms and conditions of which are acceptable to the Agents.

"Subsidiary" means, with respect to any Person at any date, any corporation, limited or general partnership, limited liability company, trust, estate, association, joint venture or other business entity (a) the accounts of which would be consolidated with those of such Person in such Person's consolidated financial statements if such financial statements were prepared in accordance with GAAP or (b) of which more than 50% of (i) the outstanding Equity Interests having (in the absence of contingencies) ordinary voting power to elect a majority of the Board of Directors of such Person, (ii) in the case of a partnership or limited liability company, the interest in the capital or profits of such partnership or limited liability company or (iii) in the case of a trust, estate, association, joint venture or other entity, the beneficial interest in such trust, estate, association or other entity business is, at the time of determination, owned or controlled directly or indirectly through one or more intermediaries, by such Person.

"Survey" means, collectively, (a) in the case of the Real Property Collateral in existence on the Effective Date, the following surveys, all of which are satisfactory to the Collateral Agent: (i) ALTA/ACSM Land Title Survey of the Bluewater Industrial Portfolio Project Berrien County (800 South Fair Ave., Benton Harbor, MI 49022) dated June 1, 2006 and revised June 28, 2006, prepared by Basney & Smith, Inc., Bock & Clark's National Surveyors Network, BAC Project No. 20060669, 12; (ii) ALTA/ACSM Land Title Survey of the Bluewater Industrial Portfolio Project Rockford (5136 27th Ave., Rockford, IL 61109) dated June 7, 2006 and revised June 28, 2006 prepared by Sarko Engineering, Inc., Bock & Clark's National Surveyors Network, BAC Project No. 20060669, 13; (iii) ALTA/ACSM Land Title Survey of the Bluewater Industrial Portfolio Project Elk County (118 Access Rd., St. Mary's, PA 15857) dated June 6, 2006 and revised June 22, 2006 prepared by Bock & Clark Corporation, Bock & Clark's National Surveyors Network, BAC Project No. 20060669, 2; (iv) ALTA/ACSM Land Title Survey of the Bluewater Industrial Portfolio Project Branch County (94 Concept Drive,

Coldwater, MI 49036) dated May 25, 2006 and revised June 28, 2006 prepared by Basney & Smith, Inc., Bock & Clark's National Surveyors Network, BAC Project No. 20060669, 1; (v) Plat of Survey of Parcels A-O located in Cook County, Illinois certified on June 28, 2006, prepared by Greeley-Howard-Norlin & Smith; (vi) ALTA/ACSM Land Title Survey of the Bluewater Industrial Portfolio Project Lot 26 (Lot 26 Kitchener, ON, Canada, N2E 2C3) dated June 19, 2006 and revised June 28, 2006 prepared by Stantec Geometrics Ltd., Bock & Clark's National Surveyors Network, BAC Project No. 20060669, 14; and (vii) ALTA/ACSM Land Title Survey of the Bluewater Industrial Portfolio Project Kitchener, Ontario (60 Steckle Place, Kitchener, ON, Canada, N2E 2C3) dated May 30, 2006 and revised July 4, 2006 prepared by Stantec Geometrics Ltd., Bock & Clark's National Surveyors Network, BAC Project No. 20060669, 3 and (b) in the case of any After-Acquired Property that is or will be subject to a Mortgage, an ALTA survey, in form and substance reasonably satisfactory to the Collateral Agent, subject to Permitted Liens, prepared by a surveyor reasonably satisfactory to the Collateral Agent, certified to the Collateral Agent and the Title Company.

"Term Loan" means, collectively, the Term Loan A and Term Loan B.

"Term Loan A" means, collectively, the loans made by the Term Loan Lenders to the US Borrowers on the Effective Date, pursuant to Section 2.01(a)(ii).

"Term Loan A Commitment" means, with respect to each Term Loan Lender, the commitment of such Lender to make a portion of the Term Loan A to the US Borrowers in the amount set forth in Schedule C-1 hereto, as the same may be terminated or reduced from time to time in accordance with the terms of this Agreement.

"Term Loan B" means, collectively, the loans made by the Term Loan Lenders to the Canadian Borrower on the Effective Date, pursuant to Section 2.01(a)(i).

"Term Loan B Commitment" means, with respect to each Term Loan Lender, the commitment of such Lender to make a portion of the Term Loan B to the Canadian Borrower in the amount set forth in Schedule C-1 hereto, as the same may be terminated or reduced from time to time in accordance with the terms of this Agreement.

"Term Loan Commitment" means the sum of the Term Loan A Commitment and the Term Loan B Commitment; provided, however, that the aggregate commitment by the Term Loan Lenders to the Borrowers shall be \$45,500,000.

"Term Loan Lender" means a Lender with a Term Loan Commitment.

"Term Loan Obligations" means any Obligations with respect to the Term Loan (including without limitation, the principal thereof, the interest thereon, and the fees and expenses specifically related thereto).

"Termination Event" means (a) a Reportable Event with respect to any Employee Plan, (b) any event that causes any Loan Party or any of its ERISA Affiliates to incur liability under Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or Section 4971 or 4975 of the IRC, (c) the filing of a notice of intent to terminate an Employee Plan or the treatment of an Employee Plan amendment as a termination under Section 4041 of

ERISA, (d) the institution of proceedings by the PBGC to terminate an Employee Plan, or (e) any other event or condition which could reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Employee Plan.

"Title Insurance Policy" means a mortgagee's loan policy, in form and substance reasonably satisfactory to the Collateral Agent, together with all endorsements made from time to time thereto, issued by or on behalf of a title insurance company reasonably satisfactory to the Collateral Agent (it being agreed that Fidelity National Title Insurance Company is satisfactory) (the "Title Company"), insuring the Lien created by a Mortgage in an amount and on terms reasonably satisfactory to the Collateral Agent, subject to Permitted Liens, delivered to the Collateral Agent.

"Total Commitment" means the sum of the Total Revolving Credit Commitment and the Total Term Loan Commitment.

"Total Revolving Credit Commitment" means the sum of the amounts of the Lenders' Revolving Credit Commitments.

"Total Term Loan Commitment" means the sum of the amounts of the Lenders' Term Loan Commitments.

"Transferee" has the meaning specified therefor in Section 2.08(a).

"Triggering Event" means either (a) the occurrence and continuation of an Event of Default or (b) the sum of Qualified Cash plus Availability is less than \$1,500,000.

"TTM EBITDA" means, as of any date of determination and with respect to a Person, the Consolidated EBITDA of such Person and its Subsidiaries for the period of 12 consecutive fiscal months most recently ended for which financial statements are required to be delivered pursuant to Section 7.01(a)(i) or (iii), as applicable. For purposes of calculating TTM EBITDA as of any date of measurement, EBITDA for any period set forth below included in the 12 consecutive fiscal month period ending on such date shall be deemed to equal the amount set forth below for such period:

Period	Pre-Closing EBITDA
September 30, 2011	\$1,353,000
October 31, 2011	\$1,611,000
November 30, 2011	\$1,225,000
December 31, 2011	\$738,000
January 31, 2012	\$1,465,000

February 29, 2012	\$1,684,000
March 31, 2012	\$1,775,000
April 30, 2012	\$1,411,000
May 31, 2012	\$1,449,000
June 30, 2012	\$1,478,000
July 31, 2012	\$813,000
August 31, 2012	\$1,648,000

"TTM Fixed Charges" means, as of any date of determination and with respect to a Person, the Fixed Charges of such Person and its Subsidiaries for the period of 12 consecutive fiscal months most recently ended.

"Ultimate Parent" means BWT Holdings LLC, a Delaware limited liability company.

"Unused Line Fee" has the meaning specified therefor in Section 2.06.

"United States" or "U.S." shall mean the United States of America.

"US Borrower" has the meaning specified therefor in the preamble hereto.

"US Guarantor" means (a) Parent, (b) each of Borrower's Subsidiaries extant as of the Effective Date and (c) each other Person which guarantees, pursuant to Section 7.01(b) or otherwise, all or any part of the US Obligations.

"US Loan Party" means, collectively, the US Borrowers and the US Guarantors.

"US Loans" means the Revolving Loan and the Term Loan A.

"US Obligations" means the obligations of US Loan Parties to pay, as and when due and payable (by scheduled maturity, required prepayment, acceleration, demand or otherwise), the Term Loan A and the Revolving Loans, all other amounts from time to time owing by it in respect of the Loan Documents (including contingent obligations in respect of its guarantee of the Canadian Obligations), whether for principal, interest (including, without limitation, any interest and other amounts that accrue or that would accrue and become due but for the commencement of any Insolvency Proceedings of any Borrower whether such amounts are allowed or allowable), fees, indemnification payments, expense reimbursements or otherwise.

"USA PATRIOT Act" has the meaning specified therefor in Section 12.25

"WARN" has the meaning specified therefor in Section 6.01(z).

Section 1.02 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation," whether or not so expressly stated in each such instance and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. Except as specified in Section 4.04(c) hereof, any reference herein or in any other Loan Document to the satisfaction or repayment in full of the Obligations shall mean the repayment in full in cash of all Obligations other than unasserted contingent indemnification Obligations. References in this Agreement to "determination" by any Agent include estimates honestly made by such Agent (in the case of quantitative determinations) and beliefs honestly held by such Agent (in the case of qualitative determinations).

Section 1.03 Accounting and Other Terms.

(a) Unless otherwise expressly provided herein, each accounting term used herein shall have the meaning given it under GAAP applied on a basis consistent with those used in preparing the Financial Statements. Notwithstanding the foregoing, all financial statements delivered hereunder shall be prepared, and all financial covenants contained herein shall be calculated, without giving effect to an election under Statement of Financial Accounting Standards 159 (or any similar accounting principal) permitting a Person to value its financial liabilities at the fair market value thereof.

(b) All terms used in this Agreement which are defined in Article 8 or Article 9 of the Code and which are not otherwise defined herein shall have the same meanings herein as set forth therein, provided that terms used herein which are defined in the Uniform Commercial Code as in effect in the State of New York on the date hereof shall continue to have the same meaning notwithstanding any replacement or amendment of such statute except as the Collateral Agent may otherwise determine, and in respect of the Canadian Loan Parties, when used to define a category or categories of the Canadian Collateral owned or hereafter acquired by such Person, such terms shall include the equivalent category or categories of property set forth in the PPSA. Notwithstanding the foregoing, and where the context so requires, (i) any term defined in this Agreement by reference to the "Code", the "UCC" or the "*Uniform Commercial*

Code" shall also have any extended, alternative or analogous meaning given to such term in applicable Canadian personal property security and other laws (including, without limitation, the *Personal Property Security Act* of each applicable province of Canada, the *Bills of Exchange Act* (Canada) and the *Depository Bills and Notes Act* (Canada)), in all cases for the extension, preservation or betterment of the security and rights of the Collateral, (ii) all references in this Agreement to "Article 8" shall be deemed to refer also to applicable Canadian securities transfer laws (including, without limitation, the *Securities Transfer Act*, 2006 (Ontario), (iii) all references in this Agreement to a financing statement, continuation statement, amendment or termination statement shall be deemed to refer also to the analogous documents used under applicable Canadian personal property security laws, including without limitation, where applicable, financing change statements, (v) all references to the United States of America, or to any subdivision, department, agency or instrumentality thereof shall be deemed to refer also to Canada, or to any subdivision, department, agency or instrumentality thereof, and (vi) all references to federal or state securities law of the United States shall be deemed to refer also to analogous federal and provincial securities laws in Canada.

Section 1.04 Time References. Unless otherwise indicated herein, all references to time of day refer to Eastern Standard Time or Eastern daylight saving time, as in effect in New York City on such day. For purposes of the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding"; provided, however, that with respect to a computation of fees or interest payable to any Agent or any Lender, such period shall in any event consist of at least one full day.

Section 1.05 Effectiveness of the Borrowers. The Parent shall be the initial Borrower under the Term Loan. Immediately upon consummation of the Acquisition, the execution and delivery of the signature pages of the Borrowers (other than the Parent) to this Agreement shall become effective and Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada and Saginaw shall become US Borrowers, and the Canadian Borrower shall become a party to this Agreement.

ARTICLE II

THE LOANS

Section 2.01 Commitments. (a) Subject to the terms and conditions and relying upon the representations and warranties herein set forth:

(i) each Revolving Loan Lender severally agrees to make Revolving Loans to the US Borrowers at any time and from time to time after consummation of the Acquisition to the Final Maturity Date, or until the earlier reduction of its Revolving Credit Commitment to zero in accordance with the terms hereof, in an aggregate principal amount of Revolving Loans at any time outstanding not to exceed the amount of such Lender's Revolving Credit Commitment;

(ii) each Term Loan Lender severally agrees to make its Pro Rata Share of the Term Loan A to the Parent on the Effective Date, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan A Commitment; and

(iii) each Term Loan Lender severally agrees to make its Pro Rata Share of the Term Loan B to the Canadian Borrower on the Effective Date after consummation of the Acquisition, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan B Commitment, provided that the proceeds of the Term Loan B shall, on the Effective Date, be distributed by the Canadian Borrower to the Parent and applied by the Parent to prepay the Term Loan A.

(b) Notwithstanding the foregoing:

(i) The aggregate principal amount of the Revolving Loans outstanding at any time to the US Borrowers shall not exceed the result of (A) the lesser of (x) the Borrowing Base and (y) the Total Revolving Credit Commitment minus (B) the Saginaw Reserve. The Revolving Loan Commitment of each Lender shall automatically and permanently be reduced to zero at 5:00 p.m. (New York City time) on the Final Maturity Date. Any principal amount of the Revolving Loan that is repaid or prepaid may be reborrowed. No Revolving Loans shall be advanced on the Effective Date.

(ii) The aggregate principal amount of the Term Loan made on the Effective Date shall not exceed the Total Term Loan Commitment. The Term Loan A shall be secured by all of the Collateral and shall constitute US Obligations. The Term Loan B shall be secured by all of the Collateral and shall constitute Canadian Obligations. Any principal amount of the Term Loan which is repaid or prepaid may not be reborrowed.

Section 2.02 Making the Loans.

(a) The Administrative Borrower shall give the Administrative Agent prior telephonic notice (immediately confirmed in writing, in substantially the form of Exhibit 2.01(b)(ii) hereto (a "Notice of Borrowing")), not later than 11:00 a.m. (New York City time) on the date of the proposed Loan. Such Notice of Borrowing shall be irrevocable and shall specify (i) the principal amount and type (either Term Loan A, Term Loan B, or Revolving Loan) of the proposed Loan, (ii) the proposed borrowing date, which must be a Business Day, (iii) whether the proposed Loan is to be a Reference Rate Loan or a LIBOR Rate Loan, and (iv) in the case of a LIBOR Rate Loan, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period." If no election as to the type of Loan is specified, then the requested Loan shall be a Reference Rate Loan. If no Interest Period is specified with respect to any requested LIBOR Rate Loan, then the Administrative Borrower shall be deemed to have selected an Interest Period of one month's duration. The Administrative Agent and the Lenders may act without liability upon the basis of written, telecopied or telephonic notice believed by the Administrative Agent in good faith to be from the Administrative Borrower (or from any Authorized Officer thereof designated in writing purportedly from the Administrative Borrower to the Administrative Agent). The Borrower hereby waives the right to dispute the Administrative Agent's record of the terms of any such telephonic Notice of Borrowing. The Administrative Agent and each Lender shall be entitled to

rely conclusively on any Authorized Officer's authority to request a Loan on behalf of the Administrative Borrower until the Administrative Agent receives written notice to the contrary. The Administrative Agent and the Lenders shall have no duty to verify the authenticity of the signature appearing on any written Notice of Borrowing.

(b) Each Notice of Borrowing pursuant to this Section 2.02 shall be irrevocable and the Borrower shall be bound to make a borrowing in accordance therewith. Each Revolving Loan shall be made in a minimum principal amount of \$100,000.

(c) (i) Except as otherwise provided in this Section 2.02(c), all Loans under this Agreement shall be made by the Lenders simultaneously and proportionately to their Pro Rata Shares of the Total Revolving Credit Commitment and the Total Term Loan Commitment, as the case may be, it being understood that no Lender shall be responsible for any default by any other Lender in that other Lender's obligations to make a Loan requested hereunder, nor shall the Commitment of any Lender be increased or decreased as a result of the default by any other Lender in that other Lender's obligation to make a Loan requested hereunder, and each Lender shall be obligated to make the Loans required to be made by it by the terms of this Agreement regardless of the failure by any other Lender.

(ii) If the Administrative Borrower gives a Notice of Borrowing requesting a Revolving Loan, then promptly after receipt of the Notice of Borrowing requesting such Revolving Loan, the Administrative Agent shall notify each Revolving Loan Lender of the specifics of the requested Revolving Loan. Each Revolving Loan Lender shall make its Pro Rata Share of the Revolving Loan available to the Administrative Agent, in immediately available funds, at the Payment Office no later than 3:00 p.m. (New York City time) on the date of the proposed Revolving Loan. The Administrative Agent will make the proceeds of such Revolving Loans available to the Borrower on the day of the proposed Revolving Loan by causing an amount, in immediately available funds, equal to the proceeds of all such Revolving Loans received by the Administrative Agent at the Payment Office to be deposited in an account designated by the Administrative Borrower.

(iii) The Administrative Agent may assume that each such Revolving Loan Lender has made such amount available to the Administrative Agent on such day and the Administrative Agent, in its sole discretion, may, but shall not be obligated to, cause a corresponding amount to be made available to the Borrower on such day. If the Administrative Agent makes such corresponding amount available to the Borrower and such corresponding amount is not in fact made available to the Administrative Agent by any such Revolving Loan Lender, the Administrative Agent shall be entitled to recover such corresponding amount on demand from such Revolving Loan Lender together with interest thereon, for each day from the date such payment was due until the date such amount is paid to the Administrative Agent, at the Federal Funds Rate for 3 Business Days and thereafter at the Reference Rate. During the period in which such Revolving Loan Lender has not paid such corresponding amount to the Administrative Agent, notwithstanding anything to the contrary contained in this Agreement or any other Loan Document, the amount so advanced by the Administrative Agent to the Borrower shall, for all purposes hereof, be a Revolving Loan made by the Administrative Agent for its own account. Upon any such failure by a Revolving Loan Lender to pay the Administrative Agent (any such Revolving Loan Lender that so fails to fund such amount to Administrative Agent

when due being referred to as a "Defaulting Lender"), the Administrative Agent shall promptly thereafter notify the Administrative Borrower of such failure and the Borrower shall immediately pay such corresponding amount to the Administrative Agent for its own account.

(iv) Nothing in this Section 2.02(c) shall be deemed to relieve any Revolving Loan Lender from its obligations to fulfill its Revolving Credit Commitment hereunder or to prejudice any rights that the Administrative Agent or the Borrower may have against any Revolving Loan Lender as a result of any default by such Revolving Loan Lender hereunder.

Section 2.03 Repayment of Loans; Evidence of Debt. (a) The outstanding principal of the Revolving Loans shall be repaid in full on the Final Maturity Date.

(b) The outstanding principal of the Term Loan shall be repayable in equal quarterly installments, on the last Business Day of each March, June, September and December commencing on December 31, 2012, and ending on the Final Maturity Date, in an amount equal to \$500,000 for the quarters ending on December 31, 2012 through and including September 30, 2013, and \$750,000 per quarter thereafter. Each amortization installment shall be applied first to the Term Loan A until paid in full and then to Term Loan B.

(c) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(d) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(e) The entries made in the accounts maintained pursuant to paragraphs (c) or (d) of this Section 2.03 shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(f) Any Lender may request that Loans made by it be evidenced by one or more promissory notes. In such event, the Borrower shall execute and deliver to such Lender a promissory note payable to such Lender and its registered assigns in a form furnished by the Collateral Agent and reasonably satisfactory to the Administrative Borrower. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 12.07) be represented by one or more promissory notes in such form payable to such payee and its registered assigns.

Section 2.04 Interest.

(a) Revolving Loans. The Revolving Loan shall bear interest on the principal amount thereof from time to time outstanding, from the date of the making of such Loan until the date on which such principal amount is repaid in accordance herewith, as follows: (i) if the relevant Revolving Loan is a LIBOR Rate Loan, at a rate per annum equal to the LIBOR Rate plus 8.25 percentage points, and (ii) otherwise, at a rate per annum equal to the Reference Rate plus 7.75 percentage points.

(b) Term Loan. The Term Loan shall bear interest on the principal amount thereof from time to time outstanding, from the date of the making of such Loan until the date on which such principal amount is repaid in accordance herewith, as follows: (i) if the relevant portion of the Term Loan is a LIBOR Rate Loan, at a rate per annum equal to the LIBOR Rate plus 8.25 percentage points, and (ii) otherwise, at a rate per annum equal to the Reference Rate plus 7.75 percentage points.

(c) Default Interest and Fees. To the extent permitted by law, upon the occurrence and during the continuance of an Event of Default, and at the election of the Agent or the Required Lenders (i) the principal of, and all accrued and unpaid interest on, all Loans, fees, indemnities or any other Obligations of the Loan Parties under this Agreement and the other Loan Documents owing to the Lenders, shall bear interest, from the date of such Event of Default until the date such Event of Default is cured or waived in writing in accordance herewith, at a rate per annum equal at all times to the Post-Default Rate. All interest at the Post-Default Rate shall be payable on demand.

(d) Interest Payment in respect of Loans. Interest on each Reference Rate Loan and LIBOR Rate Loan shall be payable monthly, in arrears, on the first day of each month, commencing on the first day of the month following the month in which such Loan is made and at maturity (whether upon demand, by acceleration or otherwise). The Borrower hereby authorizes the Administrative Agent to, and the Administrative Agent may, from time to time, charge the Loan Account pursuant to Section 4.02 with the amount of any interest payment due hereunder.

(e) LIBOR Option.

(i) Interest and Interest Payment Dates. In lieu of having interest charged at the rate based upon the Reference Rate, the Administrative Borrower shall have the option (the "LIBOR Option") to have interest on all or a portion of the Loans be charged at a rate of interest based upon the LIBOR Rate. Interest on LIBOR Rate Loans shall be payable monthly, in arrears, on the first day of each month, commencing on the first day of the month following the month in which such Loan is made and at maturity (whether upon demand, by acceleration or otherwise). On the last day of each applicable Interest Period, unless the Administrative Borrower properly has exercised the LIBOR Option with respect thereto, the interest rate applicable to such LIBOR Rate Loan automatically shall convert to the rate of interest then applicable to Reference Rate Loans of the same type hereunder. At the direction of the Required Lenders at any time that an Event of Default has occurred and is continuing, the Administrative Borrower no longer shall have the option to request that Loans bear interest at the

LIBOR Rate and Administrative Agent shall have the right to convert the interest rate on all outstanding LIBOR Rate Loans to the rate then applicable to Reference Rate Loans hereunder.

(ii) LIBOR Election.

(A) The Administrative Borrower may, at any time and from time to time, so long as the Required Lenders have not elected to terminate the LIBOR Option pursuant to Section 2.04(h)(i), elect to exercise the LIBOR Option by notifying the Administrative Agent prior to 11:00 a.m. (New York time) at least 3 Business Days prior to the commencement of the proposed Interest Period (the "LIBOR Deadline"). Notice of the Administrative Borrower's election of the LIBOR Option for a permitted portion of the Loans and an Interest Period pursuant to this Section shall be made by delivery to the Administrative Agent of a LIBOR Notice received by the Administrative Agent before the LIBOR Deadline. Promptly upon its receipt of each such LIBOR Notice, the Administrative Agent shall provide a copy thereof to each of the Lenders having a Commitment of the type to which such LIBOR Notice relates.

(B) Each LIBOR Notice delivered by the Administrative Borrower shall be irrevocable and binding on the Borrower. In connection with each LIBOR Rate Loan, the Borrower shall indemnify, defend, and hold the Administrative Agent and the Lenders harmless against any loss, cost, or expense incurred by the Administrative Agent or any Lender as a result of (1) the payment or prepayment of any principal of any LIBOR Rate Loan other than on the last day of an Interest Period applicable thereto (for any reason whatsoever, including as a result of an Event of Default), (2) the conversion of any LIBOR Rate Loan other than on the last day of the Interest Period applicable thereto, or (3) the failure to borrow, convert, continue or prepay any LIBOR Rate Loan on the date specified in any LIBOR Notice delivered pursuant hereto (such losses, costs, and expenses, collectively, "Funding Losses"). Funding Losses shall, with respect to the Administrative Agent or any Lender, be deemed to equal the amount determined by the Administrative Agent or such Lender to be the excess, if any, of (x) the amount of interest that would have accrued on the principal amount of such LIBOR Rate Loan had such event not occurred, at the LIBOR Rate that would have been applicable thereto, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period therefor), minus (y) the amount of interest that would accrue on such principal amount for such period at the interest rate which the Administrative Agent or such Lender would be offered were it to be offered, at the commencement of such period, Dollar deposits of a comparable amount and period in the London interbank market. A certificate of the Administrative Agent or a Lender delivered to the Administrative Borrower setting forth any amount or amounts that the Administrative Agent or such Lender is entitled to receive pursuant to this Section shall be conclusive absent manifest error.

(C) The Borrower shall have not more than 5 LIBOR Rate Loans in effect at any given time. The Administrative Borrower only may exercise the LIBOR Option for LIBOR Rate Loans of at least \$100,000.

(iii) Conversion. The Administrative Borrower may convert LIBOR Rate Loans to Reference Rate Loans at any time; provided, however, that in the event

that LIBOR Rate Loans are converted or prepaid on any date that is not the last day of the Interest Period applicable thereto, including as a result of any automatic prepayment through the required application by the Administrative Agent of proceeds of Collateral in accordance with Section 4.04 or for any other reason, including early termination of the term of this Agreement or acceleration of all or any portion of the Obligations pursuant to the terms hereof, the Borrower shall indemnify, defend, and hold the Administrative Agent and the Lenders and their participants harmless against any and all Funding Losses in accordance with subsection (ii) above.

(iv) Special Provisions Applicable to LIBOR Rate.

(A) The LIBOR Rate may be adjusted by the Administrative Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs to such Lender of maintaining or obtaining any eurodollar deposits or increased costs due to changes in applicable law occurring subsequent to the commencement of the then applicable Interest Period, including changes in tax laws (except changes of general applicability in any Excluded Taxes or Indemnified Taxes) and changes in the reserve requirements imposed by the Board of Governors of the Federal Reserve System (or any successor), excluding the Reserve Percentage, which additional or increased costs would increase the cost of funding loans bearing interest at the LIBOR Rate. In any such event, the affected Lender shall give the Administrative Borrower and the Administrative Agent notice of such a determination and adjustment and the Administrative Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, the Administrative Borrower may, by notice to such affected Lender (1) require such Lender to furnish to the Administrative Borrower a statement setting forth the basis for adjusting such LIBOR Rate and the method for determining the amount of such adjustment, or (2) repay the LIBOR Rate Loans with respect to which such adjustment is made (together with any amounts due under subsection (ii)(B) above).

(B) In the event that any change after the Effective Date in market conditions or any law, regulation, treaty, or directive, or any change therein or in the interpretation of application thereof, shall at any time after the date hereof, in the reasonable opinion of any Lender, make it unlawful or impractical for such Lender to fund or maintain LIBOR Rate Loans or to continue such funding or maintaining, or to determine or charge interest rates at the LIBOR Rate, such Lender shall give notice of such changed circumstances to the Administrative Agent and the Administrative Borrower and the Administrative Agent promptly shall transmit the notice to each other Lender and (1) in the case of any LIBOR Rate Loans of such Lender that are outstanding, the date specified in such Lender's notice shall be deemed to be the last day of the Interest Period of such LIBOR Rate Loans, and interest upon the LIBOR Rate Loans of such Lender thereafter shall accrue interest at the rate then applicable to Reference Rate Loans, and (2) the Administrative Borrower shall not be entitled to elect the LIBOR Option until such Lender determines that it would no longer be unlawful or impractical to do so.

(v) No Requirement of Matched Funding. Anything to the contrary contained herein notwithstanding, neither the Administrative Agent, nor any Lender, nor any of their participants, is required actually to acquire eurodollar deposits to fund or otherwise match fund any Obligation as to which interest accrues at the LIBOR Rate. The

provisions of this Section shall apply as if each Lender or its participants had match funded any Obligation as to which interest is accruing at the LIBOR Rate by acquiring eurodollar deposits for each Interest Period in the amount of the LIBOR Rate Loans.

(f) General. All interest shall be computed on the basis of a year of 360 days for the actual number of days, including the first day but excluding the last day, elapsed.

(g) Interest Act (Canada); Criminal Rate of Interest; Nominal Rate of Interest. Notwithstanding anything to the contrary contained in this Agreement or in any other Loan Document:

(i) For the purposes of *Interest Act (Canada)* and disclosure thereunder, whenever any interest or any fee to be paid hereunder or in connection herewith is to be calculated on the basis of a 360-day, 365-day year or 366-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or 365 or 366, as applicable. The rates of interest under this Agreement are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement.

(ii) Any provision of this Agreement that would oblige a Canadian Loan Party (other than the US Loan Parties) to pay any fine, penalty or rate of interest on any arrears of principal or interest secured by a mortgage on real property or hypothec on immovables that has the effect of increasing the charge on arrears beyond the rate of interest payable on principal money not in arrears shall not apply to such Canadian Loan Party, which shall be required to pay interest on money in arrears at the same rate of interest payable on principal money not in arrears.

(iii) If any provision of this Agreement would oblige a Canadian Loan Party (other than the US Loan Parties) to make any payment of interest or other amount payable to the Agents in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by that Agent of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by that Agent of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows:

(A) first, by reducing the amount or rate of interest; and

(B) thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid which would constitute interest for purposes of section 347 of the Criminal Code (Canada).

Section 2.05 Reduction of Commitments; Prepayment of Loans.

(a) Reduction of Commitments.

(i) Revolving Loans. The Total Revolving Credit Commitment shall terminate on the Final Maturity Date. The Borrower may, without premium or penalty, reduce the Total Revolving Credit Commitment to an amount (which may be zero) not less than the sum of (A) the aggregate unpaid principal amount of all Revolving Loans then outstanding and (B) the aggregate principal amount of all Revolving Loans not yet made as to which a Notice of Borrowing has been given by the Administrative Borrower under Section 2.02(a). Each such reduction (1) shall be in an amount which is an integral multiple of \$1,000,000 (unless the Total Revolving Credit Commitment in effect immediately prior to such reduction is less than \$1,000,000), (2) shall be made by providing not less than 5 Business Days' prior written notice to the Administrative Agent, (3) shall be irrevocable and (4) shall be accompanied by the payment of the Applicable Prepayment Premium, if any, payable in connection with such reduction of the Total Revolving Credit Commitment. Once reduced, the Total Revolving Credit Commitment may not be increased. Each such reduction of the Total Revolving Credit Commitment shall reduce the Revolving Credit Commitment of each Lender proportionately in accordance with its Pro Rata Share thereof.

(ii) Term Loan. The Total Term Loan Commitment shall terminate at 5:00 p.m. (New York City time) on the Effective Date.

(b) Optional Prepayment.

(i) Revolving Loan. The Borrower may, upon at least 1 Business Day prior written notice to the Administrative Agent, prepay the principal of the Revolving Loan, in whole or in part. Each prepayment made pursuant to this clause (b)(i) shall be accompanied by the payment of accrued interest to the date of such payment on the amount prepaid and any other premium due in connection therewith. Each such prepayment shall be applied against the remaining installments of principal due on the Revolving Loan so repaid on a pro rata basis (for the avoidance of doubt, any amount that is due and payable on the Final Maturity Date shall constitute an installment).

(ii) Term Loan. The Borrower may, at any time and from time to time, upon at least 5 Business Days' prior written notice to the Administrative Agent, prepay without penalty or premium the principal of the Term Loan, in whole or in part. Each prepayment made pursuant to this clause (b)(ii) shall be accompanied by the payment of accrued interest to the date of such payment on the amount prepaid. Each such prepayment shall be applied against the remaining installments of principal due on the Term Loan in the inverse order of maturity.

(iii) Prepayment In Full. The Borrower may, upon at least 5 Business Days prior written notice to the Agents, terminate this Agreement by paying to the Administrative Agent, in cash the Obligations in full (other than unasserted contingent indemnification obligations). If the Borrower terminates this Agreement prior to the Final Maturity Date, the Borrower shall pay to the Administrative Agent, for the account of the Lenders in accordance with their Pro Rata Shares, the Applicable Prepayment Premium.

(c) Mandatory Prepayment.

(i) The Borrower will immediately prepay the Revolving Loan at any time when the aggregate principal amount of the Revolving Loan exceeds the Borrowing Base, to the full extent of any such excess. On each day that the Revolving Loan is outstanding, the Borrower shall hereby be deemed to represent and warrant to the Agents and the Lenders that the Borrowing Base as of such day equals or exceeds the aggregate principal amount of the Revolving Loan outstanding on such day.

(ii) Within 10 days of delivery to the Agents and the Lenders of audited annual financial statements pursuant to Section 7.01(a)(ii), commencing with the delivery to the Agents and the Lenders of the financial statements for the Fiscal Year ended December 31, 2012 (provided, that with respect to the year ended December 31, 2012, only for the period commencing with the Effective Date (after giving effect to the transactions consummated on the Effective Date) and ending on December 31, 2012) or, if such financial statements are not delivered to the Agents and the Lenders on the date such statements are required to be delivered pursuant to Section 7.01(a)(ii), 10 days after the date such statements are required to be delivered to the Agents and the Lenders pursuant to Section 7.01(a)(ii), the Borrower shall prepay the outstanding principal amount of the Term Loan in an amount equal to the result of (A) 50% of the Excess Cash Flow of the Ultimate Parent and its Subsidiaries for such Fiscal Year *minus* (B) 100% of all optional principal prepayments of the Term Loan made during such Fiscal Year in accordance with Section 2.05(b)(ii).

(iii) The Borrower will immediately prepay the outstanding principal amount of the Term Loan in the event that the Total Revolving Credit Commitment is terminated for any reason. The proceeds of the Term Loan B shall be applied to prepay the Term Loan A on the Effective Date in accordance with Section 2.01(a)(iii).

(iv) Subject to Section 2.05(d)(ii), immediately upon receipt of any proceeds of any Disposition by any Loan Party or its Subsidiaries (other than a Permitted Disposition of the type described in clauses (a), (d), (e), (f), (g), (h), (i), (k), (l), (m), (o), (p), and (q) of the definition of Permitted Dispositions), the Borrower shall prepay the outstanding principal amount of the Term Loan in accordance with Section 2.05(d) in an amount equal to 100% of the Net Cash Proceeds received by such Person in connection with such Disposition. Nothing contained in this clause (iv) shall permit any Loan Party or any of its Subsidiaries to make a Disposition of any property other than a Permitted Disposition.

(v) Immediately upon the issuance or incurrence by any Loan Party or any of its Subsidiaries of any Indebtedness (other than Indebtedness described in the definition of Permitted Indebtedness) or upon an Equity Issuance (other than Equity Issuances corresponding to issuances of Equity Interests by Ultimate Parent to Aterian and its Affiliates, another Loan Party or to senior officers and other members of a Loan Party's management), the Borrower shall prepay the outstanding principal of the Loans in accordance with Section 2.05(d) in an amount equal to 100% of the Net Cash Proceeds received by such Person in connection therewith. The provisions of this subsection (v) shall not be deemed to be implied consent to any such issuance, incurrence or sale otherwise prohibited by the terms and conditions of this Agreement.

(vi) Subject to Section 2.05(d)(ii), immediately upon the receipt by any Loan Party or any of its domestic Subsidiaries of any Extraordinary Receipts, the Borrower shall prepay the outstanding principal of the Term Loan in accordance with Section 2.05(d) in an amount equal to 100% of such Extraordinary Receipts (or, in the case of Extraordinary Receipts consisting of tax refunds, 50%), net of any reasonable expenses incurred in collecting such Extraordinary Receipts.

(d) Application of Payments.

(i) Each prepayment made under Section 2.05(c) shall (A) so long as no Default or Event of Default has occurred and is continuing, be applied (1) in the case of prepayment made by the US Borrowers pursuant to subsection (c) above, first, to the Term Loan A, second, to the Term Loan B, and third, to the Revolving Loans, and (2) in the case of prepayments made by the Canadian Borrower pursuant to subsection (c) above to the Term Loan B and (B) if an Event of Default shall have occurred and be continuing, be applied in the manner set forth in Section 4.04(b). Each such prepayment of the Term Loan shall be applied against the remaining installments of principal of the Term Loan in the inverse order of maturity (for the avoidance of doubt, any amount that is due and payable on the Final Maturity Date shall constitute an installment).

(ii) The foregoing to the contrary notwithstanding, the Borrower shall not be required to make a prepayment otherwise required pursuant to Section 2.05(c)(iv) or Section 2.05(c)(vi) with Reinvestment Eligible Funds so long as: (A) no Default or Event of Default has occurred and is continuing on the date such Person receives such Reinvestment Eligible Funds or on the date such amounts are to be released to the Borrower pursuant to this Section 2.05(d)(ii), (B) the Borrower delivers a notice (a "Reinvestment Notice") on or prior to the date that the applicable Person receives the monies constituting such Reinvestment Eligible Funds notifying the Agents of the intent of the applicable Person to use such Reinvestment Eligible Funds (1) to repair, restore, or replace the assets that were the subject of the Disposition, casualty or condemnation giving rise to such amounts or purchase assets of equal or greater fair market value which will be useful in the conduct of their business in accordance with past practice, (2) within the period specified in such notice, which period shall not exceed 180 days after the receipt of such Reinvestment Eligible Funds by the applicable Loan Party or its Subsidiary, and (C) pending the reinvestment described in clause (B)(1) above, such Reinvestment Eligible Amounts are deposited in a cash collateral account over which the Collateral Agent (on behalf of the Lenders) has a perfected first-priority Lien. If all or any portion of such Reinvestment Eligible Funds are not used in accordance with the preceding sentence within the period specified in the Reinvestment Notice, the remaining portion shall be applied to the Loans in accordance with Section 2.05(d) on the last day of such specified period.

(e) Interest and Fees. Any prepayment made pursuant to this Section 2.05 shall be accompanied by the payment of accrued interest on the principal amount being prepaid to the date of prepayment, and if such prepayment would reduce the amount of the outstanding Loans to zero, such prepayment shall be accompanied by the payment of all fees accrued to such date pursuant to Section 2.06. In addition, the Borrower shall pay any Funding Losses related to any prepayment made pursuant to this Section 2.05.

(f) Cumulative Prepayments. Except as otherwise expressly provided in this Section 2.05, payments with respect to any subsection of this Section 2.05 are in addition to payments made or required to be made under any other subsection of this Section 2.05.

Section 2.06 Fees.

(a) Closing Fee. On the Effective Date, the Borrower shall pay to the Administrative Agent, for the account of each Lender, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$1,333,750, which shall be deemed fully earned when paid.

(b) Loan Servicing Fee. From and after the Effective Date and until the later of (i) the Final Maturity Date and (ii) the date on which all Obligations are paid in full, the Borrower shall pay to the Administrative Agent, for the account of the Agents, a non-refundable loan servicing fee (the "Loan Servicing Fee") equal to \$3,500 each month, which shall be deemed fully earned when paid and which shall be payable on the Effective Date (payable ratably based on the number of days remaining in the calendar month in which the Effective Date occurs) and monthly in advance thereafter on the first day of each calendar month.

(c) Unused Line Fee. From and after the Effective Date and until the Final Maturity Date, the Borrower shall pay to the Administrative Agent for the account of the Revolving Loan Lenders, in accordance with their Pro Rata Shares, an unused line fee (the "Unused Line Fee"), which shall accrue at the rate per annum of 0.50% on the excess, if any, of the Total Revolving Credit Commitment over the sum of the average principal amount of all Revolving Loans outstanding from time to time and shall be payable monthly in arrears on the first day of each month commencing November 1, 2012.

Section 2.07 Securitization. The Loan Parties hereby acknowledge that the Lenders and their Affiliates may sell or securitize the Loans (a "Securitization") through the pledge of the Loans as collateral security for loans to the Lenders or their Affiliates or through the sale of the Loans or the issuance of direct or indirect interests in the Loans, which loans to the Lenders or their Affiliates or direct or indirect interests will be rated by Moody's, Standard & Poor's or one or more other rating agencies (the "Rating Agencies"). The Loan Parties shall cooperate with the Lenders and their Affiliates to effect the Securitization including, without limitation, by (a) amending this Agreement and the other Loan Documents, and executing such additional documents, as reasonably requested by the Lenders in connection with the Securitization, provided that (i) any such amendment or additional documentation does not impose material additional costs on the Loan Parties and (ii) any such amendment or additional documentation does not materially adversely affect the rights, or materially increase the obligations, of the Loan Parties under the Loan Documents or change or affect in a manner adverse to the Loan Parties the financial terms of the Loans, (b) providing such information as may be reasonably requested by the Lenders in connection with the rating of the Loans or the Securitization, and (c) providing in connection with any rating of the Loans a certificate (i) agreeing to indemnify the Lenders and their Affiliates, any of the Rating Agencies, or any party providing credit support or otherwise participating in the Securitization (collectively, the "Securitization Parties") for any losses, claims, damages or liabilities (the "Liabilities") to which the Lenders, their Affiliates or such Securitization Parties may become subject insofar as the

Liabilities arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any Loan Document or in any writing delivered by or on behalf of any Loan Party to any Agent or Lender in connection with any Loan Document (excluding any projections, budgets, pro formas, or general industry information) or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein, or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and such indemnity shall survive any transfer by the Lenders or their successors or assigns of the Loans and (ii) agreeing to reimburse the Agents, the Lenders and their Affiliates for any legal or other expenses reasonably incurred by such Persons in connection with defending the Liabilities.

Section 2.08 Taxes.

(a) Any and all payments by any Loan Party hereunder or under any other Loan Document shall be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, in each case, imposed by a Governmental Authority (together with Other Taxes (as defined below), "Taxes"), except for (i) Taxes imposed on or measured by the net income (or Taxes imposed in lieu thereof including, as applicable, franchise Taxes) of any Agent, any Lender (or any transferee or assignee thereof, including a participation holder (any such entity, a "Transferee")) or, in the case of a pass-through entity, any of its beneficial owners (including any beneficial owners holding an interest through other pass-through entities) by the United States or the jurisdiction in which such Person is organized or has its principal lending office or, with respect to a lender, its applicable lending office located in, or with which such person has any other present or former connection (other than a connection arising from entering into, receiving any payment under or enforcing its rights under this Agreement or any other Loan Document), (ii) any branch profits Taxes imposed by the United States or any similar Tax imposed by any other jurisdiction in which such Loan Party is organized, (iii) any Taxes described in Section 2.08(e) and (iv) any Taxes imposed pursuant to FATCA (each such tax, an "Excluded Tax"), (all non-Excluded Taxes, collectively or individually, imposed on any payment by any Loan Party or on account of any Obligation hereunder, "Indemnified Taxes"). If any Loan Party shall be required to deduct any Taxes from or in respect of any sum payable hereunder or under any other Loan Document to any Agent or any Lender (or any Transferee), (i) if such Taxes are Indemnified Taxes, the sum payable shall be increased by the amount (an "Additional Amount") necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.08) such Agent or such Lender (or such Transferee) shall receive an amount equal to the sum it would have received had no such deductions been made, (ii) such Loan Party shall make such deductions and (iii) such Loan Party shall pay the full amount deducted to the relevant Governmental Authority on a timely basis in accordance with applicable law (and such amount shall be deemed paid to the Agent or relevant Lender or Transferee for all purposes hereunder and under any other Loan Document).

(b) In addition, each Loan Party agrees to pay to the relevant Governmental Authority in accordance with applicable law any present or future stamp or documentary transfer, recording or filing taxes or fees or any other excise or property taxes, charges or similar levies imposed by a Governmental Authority that arise from any payment

made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or any other Loan Document ("Other Taxes"). Each Loan Party shall deliver to each Agent and each Lender official receipts, if any, or such other evidence requested by an Agent or a Lender in respect of any Taxes or Other Taxes payable hereunder promptly after payment of such Indemnified Taxes or Other Taxes.

(c) The Loan Parties hereby jointly and severally indemnify and agree to hold each Agent and each Lender harmless from and against Indemnified Taxes and Other Taxes (including, Indemnified Taxes and Other Taxes imposed on any amounts payable under this Section 2.08) paid or payable by such Person, whether or not such Indemnified Taxes or Other Taxes were correctly or legally asserted by the relevant Governmental Authority. Such indemnification shall be paid within 10 days from the date on which any such Person makes written demand therefore specifying in reasonable detail the nature and amount of such Indemnified Taxes or Other Taxes.

(d) (i) Each Lender (or Transferee) that is organized under the laws of a jurisdiction outside the United States (a "Non-U.S. Lender") agrees that it shall, no later than the Effective Date deliver to the Administrative Agent (who shall promptly provide a copy thereof to the Borrower) (or, in the case of a participant, to the Lender granting the participation only) a properly completed and duly executed copy of either U.S. Internal Revenue Service Form W-8BEN, W-8ECI or W-8IMY (including the appropriate attachments thereto) or any subsequent versions thereof or successors thereto, in each case claiming complete exemption from, or reduced rate of, U.S. Federal withholding tax on payments of interest hereunder along with any other appropriate documentation establishing such exemption or reduction. In addition, in the case of a Non-U.S. Lender claiming exemption from U.S. Federal withholding tax under Section 871(h) or 881(c) of the IRC, such Non-U.S. Lender hereby represents to the Agents and the Borrower that such Non-U.S. Lender is not a bank for purposes of Section 881(c) of the IRC is not a 10-percent shareholder (within the meaning of Section 871(h)(3)(B) of the IRC) of a Borrower and is not a controlled foreign corporation related to a Borrower (within the meaning of Section 864(d)(4) of the IRC), and such Non-U.S. Lender agrees that it shall promptly notify the Administrative Agent (or, in the case of a participant, the Lender granting the participation only) in the event any such representation is no longer accurate. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of a Transferee that is a participation holder, on or before the date such participation holder becomes a Transferee hereunder) and on or before the date, if any, such Non-U.S. Lender changes its applicable lending office by designating a different lending office (a "New Lending Office"). In addition, such Non-U.S. Lender shall deliver such forms within 20 days after receipt of a written request therefor from any Agent, the assigning Lender or the Lender granting a participation, as applicable. If the lapse of time or a change in circumstances renders a previous certification obsolete or inaccurate in any material respect, the Non-U.S. Lender shall deliver to the Administrative Agent (who shall promptly deliver a copy thereof to the Borrower) (or, in the case of a participant, to the Lender granting the participation only) new, properly completed and duly executed copies of the applicable Internal Revenue Service Form establishing such exemption or reduction and any related documentation as may be required to establish such Non-U.S. Lender's entitlement to a continued exemption from or reduction in United States withholding tax if such Non-U.S. Lender or beneficial owner continues to be so entitled.

(ii) Each Lender (or Transferee) and Agent that is a "United States person" (within the meaning of Section 7701(a)(30) of the IRC) (each a "U.S. Lender") agrees that it shall, no later than the Effective Date (or, in the case of a Lender which becomes a party hereto pursuant to Section 12.07 after the Effective Date, promptly after the date upon which such Lender becomes a party hereto) deliver to the Administrative Agent (who shall promptly provide a copy thereof to the Borrower) (or, in the case of a participant, to the Lender granting the participation only) a complete and duly executed original of Internal Revenue Service Form W-9 or successor form certifying that such Lender (or Transferee) is not subject to United States backup withholding tax on the date it becomes a party to this Agreement. In addition, such U.S. Lender shall deliver such forms within 20 days after receipt of a written request therefore from any Agent, the assigning Lender or the Lender granting a participation, as applicable.

(iii) Notwithstanding any other provision of this Section 2.08, a Lender shall not be required to deliver any form pursuant to Section 2.08(d)(i) that such Lender is not legally able to deliver. Upon written request by the Administrative Borrower, the Administrative Agent shall provide to the Administrative Borrower any U.S. Internal Revenue Service Form received by the Administrative Agent pursuant to clauses (d)(i) and (d)(ii) above.

(iv) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in IRC Section 1471(b) or Section 1472(b), as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by IRC Section 1471(b)(3)(C)(i)) and such additional documentation reasonably requested by the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine the amount to deduct and withhold from such payment.

(e) The Loan Parties shall not be required to indemnify any Lender, or pay any Additional Amounts to any Lender, in respect of United States Federal withholding or backup withholding Tax (and any underlying Tax with respect to which such withholding or backup withholding Tax is imposed) pursuant to this Section 2.08 to the extent that (i) the obligation to withhold amounts with respect to United States Federal withholding or backup withholding tax existed on the date such Lender became a party to this Agreement (or, in the case of a Transferee that is a participation holder, on the date such participation holder became a Transferee hereunder) or, with respect to payments to a New Lending Office, the date such Lender designated such New Lending Office with respect to a Loan; provided, however, that this clause (i) shall not apply to the extent the indemnity payment or Additional Amounts any Transferee, or Lender (or Transferee) through a New Lending Office, would be entitled to receive (without regard to this clause (i)) do not exceed the indemnity payment or Additional Amounts that the Person making the assignment, participation or transfer to such Transferee, or Lender (or Transferee) making the designation of such New Lending Office, would have been entitled to receive in the absence of such assignment, participation, transfer or designation, or (ii) the obligation to pay such Additional Amounts would not have arisen but for a failure by such Lender or the Administrative Agent to comply with the provisions of clause (d) above.

(f) Any Agent or any Lender (or Transferee) claiming any indemnity payment or additional payment amounts payable pursuant to this Section 2.08 shall use reasonable efforts (consistent with legal and regulatory restrictions) to file any certificate or document reasonably requested in writing by the Loan Party or to change the jurisdiction of its applicable lending office if the making of such a filing or change would avoid the need for or reduce the amount of any such indemnity payment or additional amount that may thereafter accrue, would not require such Agent or such Lender (or Transferee) to disclose any information such Agent or such Lender (or Transferee) deems confidential and would not, in the sole determination of such Agent or such Lender (or Transferee), be otherwise disadvantageous to such Agent or such Lender (or Transferee).

(g) If any Agent or any Lender determines in its good faith that it has received a refund of, or credit with respect to, any Indemnified Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid Additional Amounts pursuant to this Section 2.08, it shall pay to the applicable Loan Party an amount equal to such refund or credit (but only to the extent of indemnity payments made, or Additional Amounts paid, by the Loan Party under this Section 2.08 with respect to the Indemnified Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Loan Party, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to such Agent or such Lender (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Agent or such Lender in the event such Agent or such Lender is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to require any Agent or any Lender to make available its tax returns (or any other information which it deems confidential) to the Loan Party or any other Person.

(h) The obligations of the parties under this Section 2.08 shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder until a date that is 30 days following the survival of the statute of limitations applicable to the relevant Tax.

(i) None of the Loan Parties shall have any obligation hereunder or under any other Loan Document to make any additional payment with respect to any Tax that is an Excluded Tax.

ARTICLE III

[RESERVED]

ARTICLE IV

FEES, PAYMENTS AND OTHER COMPENSATION

Section 4.01 Audit and Collateral Monitoring Fees. Each Loan Party acknowledges that pursuant to Section 7.01(f), representatives of the Agents may visit any Loan Party or conduct audits, inspections or field examinations of any Loan Party and valuations or

appraisals of any or all of the Collateral or business or enterprise valuations of the Loan Parties at any time and from time to time during normal business hours and so long as no Event of Default has occurred and is continuing, upon reasonable prior notice, in a manner so as to not unduly disrupt the business of such Loan Party. The Borrower agrees to pay (i) \$1,500 per day per examiner plus the examiner's out-of-pocket costs and reasonable expenses incurred in connection with all such visits, audits, inspections, valuations, and field examinations and (ii) the cost of all visits, inspections, audits, appraisals and business valuations (including enterprise valuation appraisals) conducted by third party auditors or appraisers on behalf of the Agents. The foregoing notwithstanding, so long as no Event of Default has occurred and is continuing, the Borrower shall not be required to pay for more than two such visits, audits, inspections, or field examinations and two appraisal updates during any Fiscal Year.

Section 4.02 Payments; Computations and Statements.

(a) The Borrower will make each payment under this Agreement not later than 2:00 p.m. (New York City time) on the day when due, in lawful money of the United States of America and in immediately available funds, to the Administrative Agent's Account. All payments received by the Administrative Agent after 2:00 p.m. (New York City time) on any Business Day will be credited to the Loan Account on the next succeeding Business Day; provided that, solely for the purposes of Section 9.01(a), payments made by 5:00 p.m. (New York City time) on the day when due will be considered timely made. All payments shall be made by the Borrower without set-off, counterclaim, deduction or other defense to the Agents and the Lenders. Except as provided in Section 2.02, after receipt, the Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal ratably to the Lenders in accordance with their Pro Rata Shares and like funds relating to the payment of any other amount payable to any Lender to such Lender, in each case to be applied in accordance with the terms of this Agreement, provided that the Administrative Agent will cause to be distributed all interest and fees received from or for the account of the Borrower not less than once each month and in any event promptly after receipt thereof. The Lenders and the Borrower hereby authorize the Administrative Agent to, and the Administrative Agent may, from time to time, charge the Loan Account of the Borrower with any amount due and payable by the Borrower under any Loan Document. Each of the Lenders and the Borrower agrees that the Administrative Agent shall have the right to make such charges whether or not any Default or Event of Default shall have occurred and be continuing. The Lenders and the Borrower confirm that any charges which the Administrative Agent may so make to the Loan Account of the Borrower as herein provided will be made as an accommodation to the Borrower and solely at the Administrative Agent's discretion, provided that the Administrative Agent shall from time to time upon the request of the Collateral Agent, charge the Loan Account of the Borrower with any amount due and payable under any Loan Document. Whenever any payment to be made under any such Loan Document shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day and such extension of time shall in such case be included in the computation of interest or fees, as the case may be. All computations of fees shall be made by the Administrative Agent on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day) occurring in the period for which such fees are payable. Each determination by the Administrative Agent of an interest rate or fees hereunder shall be conclusive and binding for all purposes in the absence of manifest error.

(b) The Administrative Agent shall provide the Administrative Borrower, promptly after the end of each calendar month, a summary statement (in the form from time to time used by the Administrative Agent) of the opening and closing daily balances in the Loan Account of the Borrower during such month, the amounts and dates of all Loans made to the Borrower during such month, the amounts and dates of all payments on account of the Loans to the Borrower during such month and the Loans to which such payments were applied, the amount of interest accrued on the Loans to the Borrower during such month and the amount and nature of any charges to the Loan Account made during such month on account of fees, commissions, expenses and other Obligations. All entries on any such statement shall be presumed to be correct and, 45 days after the same is sent, shall be final and conclusive absent manifest error.

Section 4.03 Sharing of Payments, Etc. Except as provided in Section 2.02, if any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of any Obligation in excess of its ratable share of payments on account of similar obligations obtained by all the Lenders, such Lender shall forthwith purchase from the other Lenders such participations in such similar obligations held by them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this Section 4.03 may, to the fullest extent permitted by law, exercise all of its rights (including the Lender's right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

Section 4.04 Apportionment of Payments. Subject to Section 2.02 and to any written agreement among the Agents and/or the Lenders:

(a) All payments of principal and interest in respect of outstanding Loans, all payments of fees (other than the audit and collateral monitoring fees provided for in Section 4.01) and all other payments in respect of any other Obligations, shall be allocated by the Administrative Agent among such Lenders as are entitled thereto, in proportion to their respective Pro Rata Shares or otherwise as provided herein or, in respect of payments not made on account of Loans, as designated by the Person making payment when the payment is made.

(b) After the occurrence and during the continuance of an Event of Default, the Administrative Agent may, and upon the direction of the Required Lenders shall, apply all proceeds of the Collateral, (i) first, ratably to pay the Obligations in respect of any fees, expense reimbursements, indemnities and other amounts then due and payable to the Agents until paid in full; (ii) second, ratably to pay the Revolving Loan Obligations in respect of any fees (other than any Applicable Prepayment Premium) and indemnities then due and payable to the Revolving Loan Lenders until paid in full; (iii) third, ratably to pay interest then due and

payable in respect of the Revolving Loans and Agent Advances until paid in full; (iv) fourth, ratably to pay principal of the Revolving Loans and Agent Advances (or, to the extent such Obligations are contingent, to provide cash collateral in respect of such Obligations) until paid in full; (v) fifth, ratably to pay the Term Loan Obligations in respect of any fees (other than any Applicable Prepayment Premium) and indemnities then due and payable to the Term Loan Lenders until paid in full; (vi) sixth, ratably to pay interest then due and payable in respect of the Term Loan until paid in full; (vii) seventh, ratably to pay principal of the Term Loan until paid in full, (viii) eighth, ratably to pay the Obligations in respect of any Applicable Prepayment Premium then due and payable to the Lenders until paid in full, and (ix) ninth, to the ratable payment of all other Obligations then due and payable.

(c) In each instance, so long as no Event of Default has occurred and is continuing, Section 4.04 shall not be deemed to apply to any payment by the Borrower specified by the Administrative Borrower to the Administrative Agent to be for the payment of Term Loan Obligations then due and payable under any provision of this Agreement or the prepayment of all or part of the principal of the Term Loan in accordance with the terms and conditions of Section 2.05.

(d) For purposes of Section 4.04(b), "paid in full" means with respect to any Obligations, payment in cash of all amounts owing under the Loan Documents according to the terms thereof in respect of such Obligations, including fees, interest, default interest, interest on interest, expense reimbursements and indemnities, specifically including in each case any of the foregoing which would accrue after the commencement of any Insolvency Proceeding irrespective of whether a claim is allowable in such Insolvency Proceeding.

(e) In the event of a direct conflict between the priority provisions of this Section 4.04 and other provisions contained in any other Loan Document, it is the intention of the parties hereto that both such priority provisions in such documents shall be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this Section 4.04 shall control and govern.

Section 4.05 Increased Costs and Reduced Return.

(a) If any member of the Lender Group shall have determined that the adoption or implementation of, or any change in, any law, rule, treaty or regulation, or any policy, guideline or directive of, or any change in, the interpretation or administration thereof by, any court, central bank or other administrative or Governmental Authority, or compliance by any member of the Lender Group or any Person controlling any such member of the Lender Group, with any directive of, or guideline from, any central bank or other Governmental Authority or the introduction of, or change in, any accounting principles applicable to any member of the Lender Group or any Person controlling any such member of the Lender Group (in each case, whether or not having the force of law, but only if occurring after the Effective Date; each, a "Change in Law"), shall (i) subject such member of the Lender Group, or any Person controlling such member of the Lender Group to any tax, duty or other charge with respect to this Agreement or any Loan made by such member of the Lender Group, or change the basis of taxation of payments to such member of the Lender Group or any Person controlling such member of the

Lender Group of any amounts payable hereunder (except for any Excluded Taxes or Indemnified Taxes of such member of the Lender Group), (ii) impose, modify or deem applicable any reserve, special deposit or similar requirement against any Loan or against assets of or held by, or deposits with or for the account of, or credit extended by, such member of the Lender Group or any Person controlling such member of the Lender Group or (iii) impose on such member of the Lender Group or any Person controlling such member of the Lender Group any other condition regarding this Agreement or any Loan, and the result of any event referred to in clauses (i), (ii) or (iii) above shall be to increase the cost to such member of the Lender Group of making any Loan or agreeing to make any Loan or to reduce any amount received or receivable by such member of the Lender Group hereunder, then, upon demand by such member of the Lender Group, the Borrower shall pay to such member of the Lender Group such additional amounts as will compensate such member of the Lender Group for such increased costs or reductions in amount.

(b) If any member of the Lender Group shall have determined that any Change in Law either (i) affects or would affect the amount of capital required or expected to be maintained by such member of the Lender Group or any Person controlling such member of the Lender Group, and such member of the Lender Group determines that the amount of such capital is increased as a direct or indirect consequence of any Loans made or maintained, or such member of the Lender Group's other obligations hereunder, or (ii) has or would have the effect of reducing the rate of return on such member of the Lender Group's or any such other controlling Person's capital to a level below that which such member of the Lender Group or such controlling Person could have achieved but for such circumstances as a consequence of any Loans made or maintained or any agreement to make Loans or such member of the Lender Group's other obligations hereunder (in each case, taking into consideration, such member of the Lender Group's or such other controlling Person's policies with respect to capital adequacy), then, upon demand by such member of the Lender Group, the Borrower shall pay to such member of the Lender Group from time to time such additional amounts as will compensate such member of the Lender Group for such cost of maintaining such increased capital or such reduction in the rate of return on such member of the Lender Group's or such other controlling Person's capital; provided, that no amounts shall be due and payable by the Borrower to any Revolving Loan Lender pursuant to this Section 4.05(b) until all obligations owing to the Agents and the Term Loan Lenders have been paid in full (other than unasserted contingent indemnification obligations) in cash.

(c) All amounts payable under this Section 4.05 shall bear interest from the date that is 10 days after the date of demand by any Lender or any Agent until payment in full to such Lender or such Agent at the Reference Rate. A certificate of such Lender or such Agent claiming compensation under this Section 4.05, specifying the event herein above described and the nature of such event shall be submitted by such Lender or such Agent to the Administrative Borrower, setting forth the additional amount due and an explanation of the calculation thereof, and such Lender's or such Agent's reasons for invoking the provisions of this Section 4.05, and shall be final and conclusive absent manifest error.

Section 4.06 Joint and Several Liability of the Entities Composing the US Borrower.

(a) Subject to the last sentence of this Section and notwithstanding anything in this Agreement or any other Loan Document to the contrary, each of the entities composing the US Borrower hereby accepts joint and several liability hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Agents and the Lenders under this Agreement and the other Loan Documents, for the mutual benefit, directly and indirectly, of each of the entities composing the US Borrower and in consideration of the undertakings of the other entities composing the Borrower to accept joint and several liability for the Obligations. Each of the entities composing the US Borrower, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other entities composing the US Borrower, with respect to the payment and performance of all of the Obligations (including, without limitation, any Obligation arising under this Section 4.06), it being the intention of the parties hereto that all of the Obligations shall be the joint and several obligations of each of the entities composing the Borrower without preferences or distinction among them. If and to the extent that any of the entities composing the US Borrower shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the Obligations in accordance with the terms thereof, then in each such event, the other entities composing the US Borrower will make such payment with respect to, or perform, such Obligation. Subject to the terms and conditions hereof, the Obligations of each of the entities composing the US Borrower under the provisions of this Section 4.06 constitute the absolute and unconditional, full recourse Obligations of each of the entities composing the US Borrower, enforceable against each such Person to the full extent of the Collateral, irrespective of the validity, regularity or enforceability of this Agreement, the other Loan Documents or any other circumstances whatsoever.

(b) The provisions of this Section 4.06 are made for the benefit of the Agent, the Lenders and their successors and assigns, and may be enforced by them from time to time against any or all of the entities composing the Borrower as often as occasion therefor may arise and without requirement on the part of the Agents, the Lenders or such successors or assigns first to marshal any of its or their claims or to exercise any of its or their rights against any of the other entities composing the Borrower or to exhaust any remedies available to it or them against any of the other entities composing the Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this Section 4.06 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied.

(c) Until such time as all of the Obligations have been paid in full in cash and all of the Commitments have been terminated, no entity composing the US Borrower will exercise any rights that it may now or hereafter acquire against any other entity composing the US Borrower or any guarantor that arise from the existence, payment, performance or enforcement of such entity's obligations under this Agreement, including any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Agents and the Lenders against any other entity composing the US Borrower or any guarantor or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including the right to

take or receive from any other entity composing the US Borrower or any guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security solely on account of such claim, remedy or right.

ARTICLE V

CONDITIONS TO LOANS

Section 5.01 Conditions Precedent. The obligation of any Lender to make the initial Loans hereunder (or any other Person to otherwise extend any credit provided for hereunder) is subject to the fulfillment, to the satisfaction of each Lender (the making of such initial extension of credit by any Lender being conclusively deemed to be its satisfaction or waiver of the following), of each of the conditions precedent set forth below:

(a) Payment of Fees, Etc. The Borrowers shall have paid all fees, costs, expenses and taxes then payable pursuant to Sections 2.06 or 12.04.

(b) Representations and Warranties; No Event of Default.

(i) The representations and warranties contained in Article VI and in each other Loan Document, certificate or other writing delivered to any Agent or any Lender pursuant hereto or thereto on or prior to the Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the Effective Date as though made on and as of such date (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date), and

(ii) No Default or Event of Default shall have occurred and be continuing on the Effective Date or would result from this Agreement or the other Loan Documents becoming effective in accordance with its or their respective terms, or the making of the initial Loans (or other extensions of credit) under this Agreement.

(c) Legality. The making of the initial Loans shall not contravene any law, rule or regulation applicable to any Agent or any Lender.

(d) Delivery of Documents. The Collateral Agent shall have received on or before the Effective Date the following, each in form and substance reasonably satisfactory to the Collateral Agent and, unless indicated otherwise, dated the Effective Date:

(i) a Security Agreement, duly executed by each Loan Party, together with the original stock certificates representing all of the certificated shares of common stock of such Loan Party's subsidiaries comprising Collateral and all promissory notes in favor of each such Loan Party, accompanied by undated stock powers executed in blank and other proper instruments of transfer;

(ii) the Canadian Security Agreement, duly executed by certain of the Canadian Loan Parties, together with the original stock certificates representing all of the certificated shares of common stock of such Loan Party's subsidiaries comprising Collateral and all promissory notes in favor of each such Loan Party, accompanied by undated stock powers executed in blank and other proper instruments of transfer;

(iii) the Funds Flow Agreement, duly executed by each party thereto;

(iv) the Seller Subordination Agreement, duly executed by the parties thereto;

(v) the Intercompany Subordination Agreement, duly executed by the parties thereto;

(vi) appropriate financing statements on Form UCC-1 and under the PPSA duly filed in such office or offices or registries as may be necessary or, in the opinion of the Collateral Agent, desirable to perfect the security interests purported to be created by each Security Agreement and Canadian Security Agreement, respectively, and each Mortgage;

(vii) copies of all effective financing statements which name as debtor any Loan Party, together with copies of such financing statements, none of which, except as otherwise agreed by the Collateral Agent, shall cover any of the Collateral other than Permitted Liens and the results of searches for any tax, judgment Lien, execution or notice of bankruptcy filed against such Person or its property, which results, except as otherwise agreed to by the Collateral Agent, shall not show any such Liens other than Permitted Liens;

(viii) a Perfection Certificate, duly executed by each Loan Party and completed in a manner reasonably satisfactory to the Collateral Agent;

(ix) Control Agreements with respect to each Blocked Account;

(x) a copy of the resolutions of each Loan Party, certified as of the Effective Date by an Authorized Officer, secretary or assistant secretary thereof, authorizing (A) the borrowings hereunder and the transactions contemplated by the Loan Documents to which such Loan Party is or will be a party, and (B) the execution, delivery and performance by such Loan Party of each Loan Document to which such Loan Party is or will be a party and the execution and delivery of the other documents to be delivered by such Person in connection herewith and therewith;

(xi) a certificate of an Authorized Officer, secretary or assistant secretary of each Loan Party, certifying the names and true signatures of the representatives of such Loan Party authorized to sign each Loan Document to which such Loan Party is or will be a party and the other documents to be executed and delivered by such Loan Party in connection herewith and therewith, together with evidence of the incumbency of such authorized officers;

(xii) a certificate of the appropriate official(s) of the jurisdiction of organization and each jurisdiction of foreign qualification of each Loan Party certifying as of a recent date not more than 45 days prior to the Effective Date as to the subsistence in good standing of, and the payment of taxes by, such Loan Party in such jurisdictions;

(xiii) a true and complete copy of the charter, certificate of formation, certificate of limited partnership, articles of incorporation or amalgamation, or other publicly filed organizational document of each Loan Party certified as of a recent date not more than 45 days prior to the Effective Date by an appropriate official of the jurisdiction of organization of such Loan Party which shall set forth the same complete name of such Loan Party as is set forth herein and the organizational number of such Loan Party, if an organizational number is issued in such jurisdiction;

(xiv) a copy of the charter and by-laws, limited liability company agreement, operating agreement, agreement of limited partnership, articles of incorporation or amalgamation, or other organizational document of each Loan Party, together with all amendments thereto, certified as of the Effective Date by an Authorized Officer of such Loan Party;

(xv) an opinion of (A) Hunton & Williams LLP, counsel to the Loan Parties, (B) Goodmans LLP, Canadian counsel to the Loan Parties, and (C) applicable local counsel with respect to the Mortgages (except for the Indiana Plant), in each case, as to such matters as the Collateral Agent may reasonably request;

(xvi) a certificate of an Authorized Officer, secretary or assistant secretary of each Loan Party, certifying as to the matters set forth in Section 5.01(b);

(xvii) a copy of the Financial Statements, together with a certificate of an Authorized Officer of the Parent certifying as to the accuracy and completeness in all material respects of the disclosure schedules relating to existing Indebtedness, pending or threatened litigation or claims and other contingent liabilities of the Parent and its Subsidiaries;

(xviii) a copy of the financial projections described in Section 6.01(g)(ii), which projections shall be reasonably satisfactory in form and substance to the Agents;

(xix) a certificate of the President of the Parent, (A) certifying as to the Solvency of the Parent and its Subsidiaries, taken as a whole, and (B) setting forth in reasonable detail the calculations, on a pro forma basis after giving effect to the Loans, the Sponsor Investment and the Acquisition, of each of the financial covenants contained in Section 7.03, which certificate shall be reasonably satisfactory in form and substance to the Collateral Agent;

(xx) evidence of the insurance coverage required by Section 7.01 and the terms of each Security Agreement and each Mortgage and such other insurance coverage with respect to the business and operations of the Loan Parties as the Collateral Agent may reasonably request, in each case, where reasonably requested by the Collateral Agent, with such endorsements as to the first mortgagee, named insureds or loss payees thereunder as the

Collateral Agent may request and providing that such policy may be terminated or canceled (by the insurer or the insured thereunder) only upon 30 days prior (or 10 days, in the case of non-payment) written notice to the Collateral Agent and each such first mortgagee, named insured or loss payee;

(xxi) a certificate of an Authorized Officer, secretary or assistant secretary of the Administrative Borrower, certifying the names and true signatures of the persons that are authorized to provide Notices of Borrowing, LIBOR Notices and all other notices under this Agreement and the other Loan Documents;

(xxii) [reserved];

(xxiii) Mortgages with respect to the Real Property Collateral (except the Indiana Plant) and evidence of the recording thereof in such office or offices as may be necessary or, in the reasonable opinion of the Collateral Agent, desirable to create and perfect a valid and enforceable first priority Lien on the property purported to be covered thereby or to otherwise protect the rights of the Agents and the Lenders thereunder;

(xxiv) a Title Insurance Policy with respect to the Real Property Collateral (except the Indiana Plant), dated as of the Effective Date;

(xxv) a desk-top environmental review with respect to each parcel composing the Real Property Collateral (except the Indiana Plant); the environmental consultants retained for such review, the scope of the review, and the results thereof shall be reasonably acceptable to the Collateral Agent;

(xxvi) copies of (A) the Acquisition Documents, (B) the Management Agreement, (C) the Sponsor Investment Documents and (D) the other Material Contracts as in effect on the Effective Date, certified as true and correct copies thereof by an Authorized Officer of the Administrative Borrower, together with a certificate of an Authorized Officer of the Administrative Borrower stating that such agreements remain in full force and effect and that none of the Loan Parties has breached or defaulted in any material respect with respect to its obligations under such agreements;

(xxvii) evidence of the payoff of the Existing Credit Facility, together with (A) a termination and release agreement with respect to each facility and all related documents, duly executed by the Loan Parties and the Existing Lender, and (B) UCC-3 termination statements and PPSA financing change statements for all UCC-1 financing statements and PPSA financing statements, respectively, filed by the Existing Lender and covering any portion of the Collateral; and

(xxviii) such other agreements, instruments, approvals, opinions and other documents, each reasonably satisfactory to the Collateral Agent in form and substance, as the Agents may reasonably request.

(e) Material Adverse Effect. The Collateral Agent shall have determined, in its reasonable judgment, that no event or development shall have occurred since August 31, 2012 which could reasonably be expected to result in a Material Adverse Effect.

(f) Approvals. All consents, authorizations and approvals of, and filings and registrations with, and all other actions in respect of, any Governmental Authority or other Person required in connection with the making of the Loans or the conduct of the Loan Parties' business shall have been obtained and shall be in full force and effect.

(g) Consummation of Acquisition. Concurrently with the making of the Term Loan A, (i) the Parent shall have purchased pursuant to the Acquisition Agreement (no provision of which shall have been amended or otherwise modified or waived in a manner adverse to the Agents or the Lenders or which could reasonably be expected to have a Material Adverse Effect), and shall have become the owner, free and clear of all Liens other than Permitted Liens, of 100% of the Equity Interests of each Borrower (other than the Parent), (ii) the proceeds of the Term Loan A Loans shall have been applied to pay a portion of the purchase price payable pursuant to the Acquisition Agreement for the Acquisition Assets and the closing and other costs relating thereto and (iii) each of parties to the Acquisition Documents shall have fully performed all of the obligations to be performed by it under the Acquisition Documents (other than conditions waived that could not be adverse to the Agents or Lenders or could reasonably be expected to have a Material Adverse Effect).

(h) Sponsor Investment. Each of the Sponsor Investment Documents shall have been duly executed and delivered by the respective parties thereto, shall be in full force and effect and shall be in form and substance reasonably satisfactory to each of the Agents. Concurrently with the making of the Term Loan A, Aterian shall have contributed to Ultimate Parent, and thereafter Ultimate Parent shall have contributed to Parent, the proceeds of the Sponsor Investment pursuant to the Sponsor Investment Documents (no provision of which shall have been amended or otherwise modified or waived in a manner adverse to the Agents or Lenders or which could reasonably be expected to have a Material Adverse Effect without the prior written consent of the Agents).

(i) Intellectual Property. There are no restrictions on the grant of a security interest on any material intellectual property rights owned by the Parent or any of its Subsidiaries that is part of the Collateral.

(j) Proceedings; Receipt of Documents. All proceedings in connection with the making of the initial Loans and the other transactions contemplated by this Agreement and the other Loan Documents, and all documents incidental hereto and thereto, shall be reasonably satisfactory to the Collateral Agent, and the Collateral Agent shall have received all such information and such counterpart originals or certified or other copies of such documents as the Collateral Agent may reasonably request.

(k) Management Reference Checks. The Agents shall have received reasonably satisfactory reference checks for key management of each Loan Party.

(l) Management Agreement. The Management Agreement and the terms and provisions thereof shall be in form and substance reasonably satisfactory to the Agents.

(m) Liquidity; Accounts Receivable. The Collateral Agent shall have received reasonably satisfactory evidence of the amount and quality of Accounts Receivable of the Loan Parties, which shall be acceptable to the Collateral Agent in its sole discretion.

(n) Closing Leverage Ratio. The Collateral Agent shall have received satisfactory evidence that the Leverage Ratio of the Ultimate Parent and its Subsidiaries on the Effective Date (calculated on a pro forma basis to give effect to all Loans made on the Effective Date, the consummation of the Acquisition and the Sponsor Investment, and the payment of all fees and expenses in connection with the foregoing but excluding the principal amount of the Subordinated Seller Note) does not exceed 2.75 to 1.00.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

Section 6.01 Representations and Warranties. Each Loan Party hereby represents and warrants to the Agents and the Lenders as follows:

(a) Organization, Good Standing, Etc. Each Loan Party (i) is a corporation, limited liability company or limited partnership duly organized, validly existing and in good standing under the laws of the state, province or jurisdiction of its organization, (ii) has all requisite power and authority to conduct its business as now conducted and as currently contemplated and, in the case of the Borrower, to make the borrowings hereunder, and to execute and deliver each Loan Document to which it is a party, and to consummate the transactions contemplated thereby, and (iii) is duly qualified to do business and is in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary, except, in the case of jurisdictions of foreign qualification, where the failure to be so qualified or in good standing, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(b) Authorization, Etc. The execution, delivery and performance by each Loan Party of each Loan Document to which it is or will be a party, (i) have been duly authorized by all necessary action, (ii) do not and will not contravene its articles of incorporation or amalgamation, charter or by-laws, its limited liability company or operating agreement or its certificate of partnership or partnership agreement, as applicable, or any applicable law or any contractual restriction binding on or otherwise affecting it or any of its properties, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, and (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except where any such default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to result in a Material Adverse Effect.

(c) Governmental Approvals. No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required in connection with the due execution, delivery and performance by any Loan Party of any Loan Document to which it is or will be a party.

(d) Enforceability of Loan Documents. This Agreement is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws.

(e) Subsidiaries. As of the Effective Date, Schedule 6.01(e) is a complete and correct description of the name, jurisdiction of incorporation and ownership of the outstanding Equity Interests of each Subsidiary of the Parent in existence as of the Effective Date after giving effect to the Acquisition and the Sponsor Investment. All of the issued and outstanding shares of Equity Interests of such Subsidiaries have been validly issued and are fully paid and non-assessable, and the holders thereof are not entitled to any preemptive, first refusal or other similar rights. Except as indicated on such Schedule, all such Equity Interests are owned by the Parent (other than the Equity Interests of the Parent) or one or more of their wholly-owned Subsidiaries, free and clear of all Liens (other than Permitted Liens). There are no outstanding debt or equity securities of the Parent or any of its Subsidiaries and no outstanding obligations of the Parent or any of its Subsidiaries convertible into or exchangeable for, or warrants, options or other rights for the purchase or acquisition from the Parent or any of its Subsidiaries, or other obligations of any Subsidiary to issue, directly or indirectly, Equity Interests of any Subsidiary of the Parent.

(f) Litigation; Commercial Tort Claims. Except as set forth in Schedule 6.01(f), (i) there is no pending or, to the actual knowledge of any Loan Party, threatened action, suit or proceeding affecting any Loan Party before any court or other Governmental Authority or any arbitrator that (A) could reasonably be expected to be adversely determined, and if adversely determined, could reasonably be expected to result in a Material Adverse Effect or (B) relates to this Agreement or any other Loan Document or any transaction contemplated hereby or thereby and (ii) as of the Effective Date, none of the Loan Parties holds any commercial tort claims in respect of which a claim has been filed in a court of law or a written notice by an attorney has been given to a potential defendant.

(g) Financial Condition.

(i) The Financial Statements, copies of which have been delivered to each Agent and each Lender, fairly present, in all material respects, the consolidated financial condition of, prior to the Effective Date, the Borrowers (other than Parent). After the Effective Date, the financial statements of the Parent and its Subsidiaries delivered to the Agents pursuant to Section 7.01(a), for the fiscal periods ended on the respective dates thereof fairly present, in all material respects, the consolidated financial condition of the Parent and its Subsidiaries are accurate and complete in all material respects. Since July 2012, no event or development has occurred that has had or could reasonably be expected to result in a Material Adverse Effect.

(ii) The Parent has heretofore furnished to each Agent and each Lender (A) projected monthly balance sheets, income statements and statements of cash flows of the Parent and its Subsidiaries for the period from October 2012 through December 2014, and (B) projected annual balance sheets, income statements and statements of cash flows of the

Parent and its Subsidiaries for the Fiscal Years ending in 2012 through 2014, which projected financial statements shall be updated from time to time pursuant to Section 7.01(a)(vi). Such projections, as so updated, are believed by the Parent at the time furnished to be reasonable, have been prepared on a reasonable basis and in good faith by the Parent, and have been based on assumptions believed by the Parent to be reasonable at the time made and upon the best information then reasonably available to the Parent, and the Parent is not aware, as of the Effective Date, of any facts or information that would lead it to believe that such projections, as so updated, are incorrect or misleading in any material respect.

(h) Compliance with Law, Etc. No Loan Party or any of its Subsidiaries is in violation of (i) its organizational documents, (ii) any law, rule, regulation, judgment or order of any Governmental Authority applicable to it or any of its property or assets, or (iii) any material term of any agreement or instrument (including, without limitation, any Material Contract) binding on or otherwise affecting it or any of its properties, except in the case of clauses (ii) through (iii) to the extent such violations could not reasonably be expected to have a Material Adverse Effect, and no Default or Event of Default has occurred and is continuing.

(i) ERISA. Except as set forth on Schedule 6.01(i), (i) each Employee Plan is in compliance with ERISA and the IRC, except as could not reasonably be expected to result in a Material Adverse Effect, (ii) no Termination Event has occurred nor is reasonably expected to occur with respect to any Employee Plan, (iii) the most recent annual report (Form 5500 Series) with respect to each Employee Plan sponsored by a Loan Party, including any required Schedule B (Actuarial Information) thereto, copies of which have been filed with the Internal Revenue Service and delivered to the Agents, is complete and correct and fairly presents the funding status of such Employee Plan, and, to the knowledge of the Loan Parties, since the date of such report there has been no material adverse change in such funding status, (iv) copies of each agreement entered into with the PBGC, the U.S. Department of Labor or the Internal Revenue Service with respect to any Employee Plan sponsored by a Loan Party have been delivered to the Agents, (v) no Employee Plan had an accumulated or waived funding deficiency or permitted decrease which would create a deficiency in its funding standard account or has applied for an extension of any amortization period within the meaning of Section 412 of the IRC at any time during the previous 60 months, and (vi) no Lien imposed under the IRC or ERISA exists or is likely to arise on account of any Employee Plan within the meaning of Section 412 of the IRC. Except as set forth on Schedule 6.01(i), no Loan Party has incurred any withdrawal liability under ERISA with respect to any Multiemployer Plan (including withdraw liability incurred as an ERISA Affiliate of another entity), or is aware of any facts indicating that it may in the future incur any such withdrawal liability, except as could not reasonably be expected to result in a Material Adverse Effect. Except as could not reasonably be expected to result in a Material Adverse Effect, no Loan Party or any of its ERISA Affiliates nor any fiduciary of any Employee Plan has (A) engaged in a nonexempt prohibited transaction described in Sections 406 of ERISA or 4975 of the IRC, (B) failed to pay any required installment or other payment required under Section 412 of the IRC on or before the due date for such required installment or payment, (C) engaged in a transaction within the meaning of Section 4069 of ERISA or (D) incurred any liability to the PBGC which remains outstanding other than the payment of premiums, and there are no premium payments which have become due which are unpaid. Except as could not reasonably be expected to result in an a Material Adverse Effect, there are no pending or, to the knowledge of any Loan Party, threatened claims, actions,

proceedings or lawsuits (other than claims for benefits in the normal course) asserted or instituted against (1) any Employee Plan or its assets, (2) any fiduciary with respect to any Employee Plan, or (3) any Loan Party or any of its ERISA Affiliates with respect to any Employee Plan. Except as could not reasonably be expected to result in a material liability to any Loan Party or as set forth on Schedule 6.01(i) or except as required by Section 4980B of the IRC, no Loan Party maintains an employee welfare benefit plan (as defined in Section 3(1) of ERISA) which provides health or welfare benefits (through the purchase of insurance or otherwise) for any retired or former employee of any Loan Party or any of its ERISA Affiliates or coverage after a participant's termination of employment.

(j) Taxes, Etc. All federal and material state, provincial, municipal, and local tax returns, notifications and other reports and filings required by applicable law to be filed by any Loan Party have been filed within the time required by applicable laws or extensions have been obtained, and all taxes, assessments and other governmental charges imposed upon any Loan Party or any property of any Loan Party and which have become due and payable have been paid (other than taxes, assessments, or governmental charges in an aggregate amount at any one time not to exceed \$100,000), except to the extent contested in good faith by proper proceedings which stay the imposition of any penalty, fine or Lien resulting from the non-payment thereof and with respect to which adequate reserves have been set aside for the payment thereof in accordance with GAAP.

(k) Regulations T, U and X. No Loan Party is or will be engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation T, U or X), and no proceeds of any Loan will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(l) Nature of Business. No Loan Party is engaged in any business other than as set forth on Schedule 6.01(l) and business activities reasonably related or incidental thereto.

(m) Adverse Agreements, Etc. No Loan Party or any of its Subsidiaries is a party to any agreement or instrument, or subject to any charter, limited liability company agreement, partnership agreement or other corporate, partnership or limited liability company restriction or any judgment, order, regulation, ruling or other requirement of a court or other Governmental Authority, which has, or could reasonably be expected to result in, a Material Adverse Effect.

(n) Permits, Etc. Each Loan Party has, and is in compliance with, all permits, licenses, authorizations, approvals, entitlements and accreditations required for such Person lawfully to own, lease, manage or operate, or to acquire, each business currently owned, leased, managed or operated, or to be acquired, by such Person, except to the extent such failure to obtain or such noncompliance could not reasonably be expected to result in a Material Adverse Effect. No condition exists or event has occurred which, in itself or with the giving of notice, would result in the suspension, revocation, impairment, forfeiture or non-renewal of any such permit, license, authorization, approval, entitlement or accreditation, and there is no claim that any thereof is not in full force and effect, except to the extent such suspension, revocation,

impairment, forfeiture or non-renewal could not reasonably be expected to result in a Material Adverse Effect.

(o) Properties.

(i) Each Loan Party has good and marketable title to, valid leasehold interests in, or valid licenses to use, all tangible property and assets material to its business, free and clear of all Liens, except Permitted Liens and, solely as to leasehold interests, except to the extent the failure to have such valid leasehold interests could not reasonably be expected to have a Material Adverse Effect. All such properties and assets are in good working order and condition, ordinary wear and tear and casualty (to the extent fully covered by insurance subject to a deductible) and condemnation excepted.

(ii) Schedule 6.01(o) sets forth a complete and accurate list, as of the Effective Date, of the location, by state or province and street address, of all real property owned or leased by each Loan Party and identifies the interest (fee or leasehold) of such Loan Party therein. As of the Effective Date, each Loan Party has valid leasehold interests in the Leases described on Schedule 6.01(o) to which it is a party, except to the extent the failure to have such valid leasehold interests could not reasonably be expected to have a Material Adverse Effect. Schedule 6.01(o) sets forth as of the Effective Date with respect to each such Lease, termination date, renewal options (if any) and base rents for the last 12 months. Each such Lease is valid and enforceable in accordance with its terms in all material respects and is in full force and effect, except to the extent that the failure of such Lease to be valid and enforceable or in full force and effect could not reasonably be expected to result in a Material Adverse Effect and except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws. No consent or approval of any landlord or other third party in connection with any such Lease is necessary for any Loan Party to enter into and execute the Loan Documents to which it is a party, except as set forth on Schedule 6.01(o). To the knowledge of any Loan Party, as of the Effective Date, no other party to any such Lease is in default of its obligations thereunder, and as of the Effective Date, no Loan Party (or any other party to any such Lease) has at any time delivered or received any notice of default which remains uncured under any such Lease and, as of the Effective Date, no event has occurred which, with the giving of notice or the passage of time or both, would constitute a default under any such Lease, except to the extent such event could not reasonably be expected to result in a Material Adverse Effect.

(p) Full Disclosure. Each Loan Party has disclosed to the Agents all agreements, instruments and corporate or other restrictions to which it is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the other reports, financial statements, certificates or other information furnished by or on behalf of any Loan Party to the Agents in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which it was made, not materially misleading; provided that, with respect to projected financial information, each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time. There is no contingent liability or

fact that could reasonably be expected to result in a Material Adverse Effect which has not been set forth in a footnote included in the Financial Statements or a Schedule hereto.

(q) Anti-Terrorism Laws.

(i) General. None of the Loan Parties nor or any Affiliate of any Loan Party, is in violation of any Anti-Terrorism Law or engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(ii) Executive Order No. 13224. None of the Loan Parties, nor or any Affiliate of any Loan Party, or their respective agents acting or benefiting in any capacity in connection with the Loans or other transactions hereunder, is any of the following (each, a "Blocked Person"):

(A) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order No. 13224;

(B) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order No. 13224;

(C) a Person or entity with which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(D) a Person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order No. 13224;

(E) a Person or entity that is named as a "specially designated national" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control at its official website or any replacement website or other replacement official publication of such list, or

(F) a Person or entity who is affiliated or associated with a person or entity listed above.

(iii) Certain Transactions. No Loan Party or to the knowledge of any Loan Party, any of its agents acting in any capacity in connection with the Loans or other transactions hereunder (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person, or (B) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order No. 13224.

(r) Environmental Matters. Except as set forth on Schedule 6.01(r), (i) the operations of each Loan Party are in compliance with all applicable Environmental Laws; except for any non-compliance that could not reasonably be expected to result in a Material Adverse Effect; (ii) there has been no Release (A) at any of the properties owned or operated by any Loan Party or (B) to the knowledge of any Loan Party (1) at any of the properties owned or

operated by any predecessor to a Loan Party or (2) at any disposal or treatment facility which received Hazardous Materials generated by any Loan Party or any predecessor in interest, which, in each case, could reasonably be expected to result in a Material Adverse Effect; (iii) no Environmental Action that has not been resolved has been asserted against any Loan Party, or to the knowledge of any Loan Party, any predecessor in interest nor does any Loan Party have actual knowledge or notice of any threatened or pending Environmental Action against any Loan Party or any predecessor in interest which could reasonably be expected to result in a Material Adverse Effect; (iv) to the knowledge of any Loan Party, no Environmental Actions have been asserted against any facilities that may have received Hazardous Materials generated by any Loan Party or any predecessor in interest which could reasonably be expected to result in a Material Adverse Effect; (v) no property now or formerly owned or operated by a Loan Party has been used as a disposal site for any Hazardous Material, except to the extent that any such use could not reasonably be expected to result in a Material Adverse Effect; (vi) no Loan Party has failed to report to the proper Governmental Authority the occurrence of any Release which is required to be so reported by any applicable Environmental Laws which could reasonably be expected to result in a Material Adverse Effect; and (vii) no Loan Party has received any notification pursuant to any applicable Environmental Laws that any work, repairs, construction or Capital Expenditures are required to be made by a Loan Party in respect of any of its properties as a condition of continued compliance with any applicable Environmental Laws, or any license, permit or approval issued pursuant thereto, except as could not reasonably be expected to result in a Material Adverse Effect.

(s) Insurance. Each Loan Party keeps its property adequately insured and maintains (i) insurance to such extent and against such risks, including fire, as is customary with companies in the same or similar businesses, (ii) worker's compensation insurance in the amount required by applicable law, (iii) public liability insurance, which shall include product liability insurance, in the amount customary with companies in the same or similar business against claims for personal injury or death on properties owned, occupied or controlled by it, and (iv) such other insurance as may be required by law or as may be reasonably required by the Collateral Agent (including against larceny, embezzlement or other criminal misappropriation). Schedule 6.01(s) sets forth a list of all insurance maintained by each Loan Party on the Effective Date.

(t) Use of Proceeds. The proceeds of the Loans shall be used (i) to finance a portion of the purchase price for the Acquisition, (ii) for general working capital requirements and other general corporate purposes of the Loan Parties, and (iii) to pay fees and expenses related to the Acquisition and this Agreement.

(u) Solvency. After giving effect to the transactions contemplated by this Agreement, the Sponsor Investment Documents and the Acquisition Documents and before and immediately after giving effect to each Loan to be made on the Effective Date, the Loan Parties on a consolidated basis are Solvent.

(v) Location of Bank Accounts. Schedule 6.01(v) sets forth a complete and accurate list as of the Effective Date of all deposit, checking and other bank accounts, all securities and other accounts maintained with any broker dealer and all other similar accounts maintained by each Loan Party, together with a description thereof (i.e., the

bank or broker dealer at which such deposit or other account is maintained and the account number and the purpose thereof).

(w) Intellectual Property. Except as set forth on Schedule 6.01(w), each Loan Party owns or licenses or otherwise has the right to use all licenses, patents, patent applications, trademarks, trademark applications, service marks, tradenames, copyrights, copyright applications, industrial designs, and other intellectual property rights that are reasonably necessary for the operation of its business, without infringement upon or conflict with the rights of any other Person with respect thereto, except for such infringements and conflicts which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Set forth on Schedule 6.01(w) is a complete and accurate list as of the Effective Date of all such material licenses, patents, patent applications, registered trademarks, trademark applications, registered service marks, registered tradenames, registered copyrights, copyright applications, industrial design applications and registered industrial designs of each Loan Party. No slogan or other advertising device, product, process, method, substance, part or other material now employed by any Loan Party infringes upon or conflicts with any rights owned by any other Person, and no claim or litigation regarding any of the foregoing is pending or threatened in writing, except for such infringements and conflicts which could not reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect. To the knowledge of each Loan Party, no patent, invention, or device, is pending or proposed, which, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

(x) Material Contracts. Set forth on Schedule 6.01(x) is a complete and accurate list as of the Effective Date of all Material Contracts of each Loan Party, showing the parties and subject matter thereof and amendments and modifications thereto. Each such Material Contract (i) is in full force and effect and is binding upon and enforceable against each Loan Party that is a party thereto and, to the knowledge of such Loan Party, all other parties thereto in accordance with its terms, except to the extent that the failure of such Material Contract to be in full force and effect or binding upon and enforceable against the parties thereto could not reasonably be expected to result in a Material Adverse Effect, and except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws, (ii) has not been otherwise amended or modified, except for amendments or modifications which could not reasonably be expected to result in a Material Adverse Effect, and (iii) is not in default due to the action of any Loan Party or, to the knowledge of any Loan Party, any other party thereto, except to the extent that any such default could not reasonably be expected to result in a Material Adverse Effect.

(y) Investment Company Act. None of the Loan Parties is (i) an "investment company" or an "affiliated person" or "promoter" of, or "principal underwriter" of or for, an "investment company", as such terms are defined in the Investment Company Act of 1940, as amended, or (ii) subject to regulation under any law, rule, regulation, judgment or order of any Governmental Authority that limits in any respect its ability to incur Indebtedness or which may otherwise render all or a portion of the Obligations unenforceable.

(z) US Employee and Labor Matters. There is (i) no unfair labor practice complaint pending or, to the knowledge of any US Loan Party, threatened against any US Loan Party before any Governmental Authority and no grievance or arbitration proceeding

pending or threatened against any Loan Party which arises out of or under any collective bargaining agreement, in each case that could reasonably be expected to result in a Material Adverse Effect, (ii) no strike, labor dispute, slowdown, stoppage or similar action against any US Loan Party that could reasonably be expected to result in a Material Adverse Effect or (iii) to the knowledge of any US Loan Party, no union representation question existing with respect to the employees of any US Loan Party and no union organizing activity taking place with respect to any of the employees of any Loan Party. No US Loan Party has incurred any material liability or obligation under the Worker Adjustment and Retraining Notification Act ("WARN") or similar state, federal or provincial law, which remains unpaid or unsatisfied. The hours worked and payments made to employees of any US Loan Party have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, except to the extent such violations could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. All material payments due from any US Loan Party on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of such US Loan Party, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(aa) Customers and Suppliers. There exists no actual termination, cancellation or limitation of, or modification to or change in, the business relationship between (i) any Loan Party, on the one hand, and any customer or any group thereof, on the other hand, whose agreements with any Loan Party are individually or in the aggregate material to the business or operations of such Loan Party, or (ii) any Loan Party, on the one hand, and any material supplier thereof, in each case to the extent that such termination, cancellation or limitation, or modification could reasonably be expected to result in a Material Adverse Effect.

(bb) No Bankruptcy Filing. No Loan Party is contemplating either the filing of a petition by it under any state, provincial, federal or foreign Insolvency Laws or the liquidation of all or a major portion of such Loan Party's assets or property, and no Loan Party has any knowledge of any Person contemplating the filing of any such petition against it.

(cc) Separate Existence. All customary formalities regarding the separate existence of each Loan Party have been at all times since the Effective Date observed.

(dd) Name; Jurisdiction of Organization; Organizational ID Number; Chief Place of Business; Chief Executive Office; FEIN. Schedule 6.01(dd) sets forth a complete and accurate list as of the date hereof of (i) the exact legal name of each Loan Party, (ii) the jurisdiction of organization of each Loan Party, (iii) the organizational identification number (or in the case of the Canadian Borrower or any other Canadian Loan Party, the business number assigned by Canada Revenue Agency (Canada)) of each Loan Party (or indicates that such Loan Party has no organizational identification number), (iv) each place of business of each Loan Party, (v) the chief executive office of each Loan Party and (vi) the federal employer identification number of each Loan Party (or indicate that such Loan Party has no federal employer identification number).

(ee) Tradenames. Schedule 6.01(ee) hereto sets forth a complete and accurate list as of the Effective Date of all registered tradenames used by each Loan Party.

(ff) Locations of Collateral. There is no location at which any Loan Party has any tangible Collateral (except for Inventory in transit) other than (i) those locations listed on Schedule 6.01(ff) or otherwise permitted under Section 7.01(l) and (ii) any other locations approved in writing by the Collateral Agent from time to time. Schedule 6.01(ff) hereto contains a true, correct and complete list, as of the Effective Date, of the legal names and addresses of each warehouse at which Collateral of each Loan Party is stored. None of the receipts received by any Loan Party from any warehouse states that the goods covered thereby are to be delivered to bearer or to the order of a named Person or to a named Person and such named Person's assigns.

(gg) Security Interests. Each Security Agreement and each Mortgage creates in favor of the Collateral Agent, for the benefit of the Lender Group, a legal, valid and enforceable security interest in the Collateral covered thereby, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors rights generally or by general equitable principles relating to enforceability. Upon the filing of the financing statements described in Section 5.01(d)(iv), the recording of the Mortgages, and the delivery of appropriate Control Agreements, such security interests in and Liens on the Collateral granted thereby shall be perfected, to the extent perfection can be accomplished through such filings, recordings or Control Agreements, first priority security interests (subject to Permitted Liens), and, except as contemplated by the Security Agreement or the Mortgages, no further recordings or filings are or will be required in connection with the creation, perfection or enforcement of such security interests and Liens.

(hh) Representations and Warranties in Documents; No Default. All representations and warranties set forth in this Agreement and the other Loan Documents are true and correct in all material respects at the time as of which such representations were made and on the Effective Date. No Event of Default has occurred and is continuing and no condition exists which constitutes a Default or an Event of Default.

(ii) Reserved.

(jj) Holding Companies. Parent is a holding company and does not have any liabilities (other than liabilities arising or permitted under the Loan Documents), own any assets (other than the Equity Interests of other Loan Parties, dividends and distributions made on such Equity Interests and other de minimis assets) or engage itself in any operations or business except as permitted by Section 7.02(s).

(kk) Interrelated Business. The Loan Parties make up a related organization of various entities constituting a single economic and business enterprise so that the Loan Parties share an identity of interests such that any benefit received by any one of them benefits the others. From time to time each Loan Party may render services to or for the benefit of the other Loan Parties, purchase or sell and supply goods to or from or for the benefit of the others, make loans, advances and provide other financial accommodations to or for the benefit of the other Loan Parties (including inter alia, the payment by such Loan Party of creditors of the other Loan Parties and guarantees by such Loan Party of indebtedness of the other Loan Parties and provides administrative, marketing, payroll and management services to or for the benefit of

the other Loan Parties). The Loan Parties have the same chief executive office, centralized accounting and legal services, certain common officers and directors.

(ll) Acquisition Documents. As of the Effective Date, the Borrower has delivered to the Agents a complete and correct copy of the material Acquisition Documents (including all schedules, exhibits, amendments, supplements, modifications, and assignments). No Loan Party that is a party thereto is in default in the performance or compliance with any provisions thereof. The Acquisition Documents comply in all material respects with, and the Acquisition has been consummated in accordance with, in all material respects, all applicable laws. The execution, delivery and performance of the Acquisition Documents do not and will not require any registration with, consent, or approval of, or notice to, or other action with or by, any Governmental Authority, other than (i) consents or approvals that have been obtained and that are still in full force and effect, or (ii) consents or approvals that have been waived so long as the terms of such waiver have been fully disclosed to the Agents. As of the Effective Date, to the best of the Loan Parties' knowledge, none of the representations or warranties of any other Person in any Acquisition Document contains any untrue statement of a material fact or omits any fact necessary to make the statements therein not materially misleading.

(mm) Consummation of Acquisition. All conditions precedent to the Acquisition Agreement have been fulfilled or (with the prior written consent of the Agents and the Required Lenders to the extent such waiver would be adverse to the Agents or the Lenders or which could reasonably be expected to result in a Material Adverse Effect) waived, the Acquisition Agreement has not been amended or otherwise modified in a manner adverse to the Agents or the Lenders or which could reasonably be expected to result in a Material Adverse Effect, and as of the Effective Date, there has been no breach of any material term or condition of the Acquisition Agreement.

Section 6.02 Withholdings and Remittances. The Canadian Loan Parties have remitted all Canada Pension Plan and, if applicable, Quebec Pension Plan contributions, workers' compensation assessments, employment insurance premiums, employer health taxes, municipal real estate taxes and other remittances required to be remitted by it under applicable Requirements of Law, and, furthermore, has withheld from each payment made to any of its present or former employees, officers and directors, and to all persons who are non-residents of Canada for the purposes of the *Income Tax Act* (Canada) all amounts required by Requirements of Law to be withheld by it, including without limitation all payroll deductions required to be withheld and has remitted such amounts to the proper Governmental Authority within the time required under applicable Requirements of Law.

Section 6.03 Canadian Employees.

(a) Except as set forth in Schedule 6.04 and as of the date hereof, any overtime pay, vacation pay, health and welfare insurance premiums, accrued wages, salaries and commissions and severance pay required to be paid by the Canadian Loan Parties under applicable Requirements of Law have been fully paid or satisfied by the Canadian Loan Parties or, in the case of accrued unpaid overtime pay or accrued unpaid vacation pay for Canadian Employees, has been accurately accounted for in the books and records of the Canadian Loan

Parties or has been reported pursuant to the collateral reporting obligation pursuant to Section 7.01(a).

(b) Schedule 6.04 (as updated from time to time) lists all the Canadian Pension Plans and Canadian Employee Plans applicable to the Canadian Employees of the Canadian Loan Parties in respect of employment in Canada and which are currently maintained or required to be maintained or otherwise sponsored by the Canadian Loan Parties or to which the Canadian Loan Parties contributes or has an obligation to contribute, except, for greater certainty, any statutory plans to which the Canadian Loan Parties is obligated to contribute to or comply with under applicable Requirements of Law. Except as set forth on Schedule 6.04, none of the Canadian Loan Parties participate in or have any financial or other liability in respect of a multi-employer Canadian Pension Plan.

(c) Except as disclosed in Schedule 6.04, no improvements to any Canadian Pension Plan or any Canadian Employee Plan have been promised by the Canadian Loan Parties, except such improvements as are described in the collective bargaining agreements listed in Schedule 6.04 (as updated from time to time), and no amendments or improvements to a Canadian Employee Plan will be made or promised by the Canadian Borrower before the closing date.

(d) Except as disclosed in Schedule 6.04 (as updated from time to time), no Canadian Loan Party provides benefits to retired or former Canadian Employees or to beneficiaries or dependents of retired or former Canadian Employees.

(e) Except as disclosed in Schedule 6.04 (as updated from time to time subject to Section 6.02), all material obligations of the Canadian Loan Parties under the Canadian Pension Plans and the Canadian Employee Plans have been satisfied, there are no outstanding defaults or violations by the Canadian Loan Parties to any Canadian Pension Plan and any Canadian Employee Plan and, to the knowledge of the Canadian Loan Parties, no taxes, penalties or fees are owing or exigible under any of the Canadian Employee Plans. There have been no withdrawals or material applications of the assets of the Canadian Pension Plans or Canadian Employee Plans made by the Canadian Loan Parties in violation of Canadian Employee Benefits Legislation or the terms of such plans.

(f) Except as disclosed in Schedule 6.04 (as updated from time to time) and as of the date hereof, each Canadian Pension Plan (other than a Canadian Pension Plan that is a multi-employer pension plan) and each Canadian Employee Plan is, as applicable, fully funded or insured. All employer and employee payments, contributions or premiums required to be remitted, paid to or in respect of each Canadian Pension Plan and each Canadian Employee Plan have been paid or remitted by the Canadian Loan Parties in a timely fashion in accordance with its terms and Canadian Employee Benefits Legislation. To the knowledge of the Canadian Borrower, no fact or circumstance exists that could adversely affect the tax-favored status of a Canadian Pension Plan or Canadian Employee Plan. The Canadian Loan Parties' only liability or obligation in respect of each Canadian Pension Plan that is a multi-employer pension plan is to make on-going contributions for such plan for the duration of the applicable collective agreement in the amounts specified in that collective agreement.

(g) Except as disclosed in Schedule 6.04 (as updated from time to time),

(i) The Canadian Loan Parties are not party to any collective bargaining agreement, contract or legally binding commitment to any trade union or employee organization or group in respect of or affecting Canadian Employees;

(ii) The Canadian Loan Parties are not party to any application, complaint, grievance, arbitration, or other proceeding under any statute or under any collective agreement related to any Canadian Employee or the termination of any Canadian Employee and there is no complaint, inquiry or other investigation by any regulatory or other administrative authority or agency with regard to or in relation to any Canadian Employee or the termination of any Canadian Employee;

(iii) The Canadian Loan Parties have not engaged in any unfair labor practice, nor are the Canadian Loan Parties aware of any pending or threatened complaint regarding any alleged unfair labor practices; and

(iv) There is no strike, labor dispute, work slow down or stoppage pending or threatened against the Canadian Loan Parties and the Canadian Loan Parties are not currently the subject of any union organization effort or any labor negotiation.

(h) All contributions, assessments, premiums, fees, taxes, penalties or fines in relation to the Canadian Employees have been duly paid and there is no outstanding liability of any kind in relation to the employment of the Canadian Employees or the termination of employment of any Canadian Employee.

(i) Except as disclosed in Schedule 6.04 (as updated from time to time subject to Section 6.02), since December 31, 2008 the Canadian Loan Parties are in compliance with all material requirements of Canadian Employee Benefits Legislation and health and safety, workers compensation, employment standards, labor relations, health insurance, employment insurance, protection of personal information, human rights laws and any Canadian federal, provincial or local counterparts or equivalents in each case, as applicable to the Canadian Employees and as amended from time to time.

(j) To the knowledge of the Canadian Loan Parties, there have been no circumstances, conditions or events which would constitute reasonable grounds for a Governmental Authority to declare a partial or full wind-up of a Canadian Pension Plan, to the knowledge of the Canadian Loan Parties there are no actions pending by a Governmental Authority to declare a partial or full wind-up of a Canadian Pension Plan and neither any Canadian Loan Party nor a Governmental Authority has not declared a partial or full wind-up of a Canadian Pension Plan.

ARTICLE VII

COVENANTS OF THE LOAN PARTIES

Section 7.01 Affirmative Covenants. So long as any principal of or interest on any Loan or any other Obligation (other than unasserted contingent indemnification Obligations) shall remain unpaid or any Lender shall have any Commitment hereunder, each Loan Party will and will cause each of its Subsidiaries to:

(a) Reporting Requirements. Furnish to each Agent and each Lender:

(i) as soon as available and in any event within 45 days after the end of each fiscal quarter of the Parent and its Subsidiaries commencing with the first fiscal quarter of the Parent and its Subsidiaries ending after the Effective Date, consolidated and consolidating balance sheets, consolidated and consolidating statements of operations and consolidated and consolidating statements of cash flows of the Parent and its Subsidiaries as at the end of such quarter, and, in the case of such consolidated financials, for the period commencing at the end of the immediately preceding Fiscal Year and ending with the end of such quarter, setting forth in each case in comparative form (x) the figures for the corresponding date or period set forth in the financial statements for the immediately preceding Fiscal Year and (y) the projections delivered pursuant to clause (vii) of this Section 7.01(a), all in reasonable detail and certified by an Authorized Officer of the Parent as fairly presenting, in all material respects, the financial position of the Parent and its Subsidiaries as of the end of such quarter and the results of operations and cash flows of the Parent and its Subsidiaries for such quarter, in accordance with GAAP applied in a manner consistent with that of the most recent audited financial statements of the Parent and its Subsidiaries furnished to the Agents and the Lenders, subject to the absence of footnotes and normal year-end adjustments;

(ii) as soon as available, and in any event within 110 days after the end of each Fiscal Year of the Parent and its Subsidiaries (commencing with the Fiscal Year ending December 31, 2012), consolidated and consolidating balance sheets, consolidated and consolidating statements of operations and consolidated and consolidating statements of cash flows of the Parent and its Subsidiaries as at the end of such Fiscal Year (provided that with respect, to Fiscal Year ending December 31, 2012, such financials shall only cover the period commencing on the Effective Date and ending on December 31, 2012), setting forth in each case with respect to such consolidated financials in comparative form the figures for the corresponding date or period set forth in the financial statements for the immediately preceding Fiscal Year, all in reasonable detail and prepared in accordance with GAAP, and accompanied by a report and an unqualified opinion, prepared in accordance with generally accepted auditing standards, of independent certified public accountants of recognized standing selected by the Parent and satisfactory to the Agents (which opinion shall be without (A) a "going concern" or like qualification or exception, (B) any qualification or exception as to the scope of such audit, or (C) any qualification which relates to the treatment or classification of any item and which, as a condition to the removal of such qualification, would require an adjustment to such item, the effect of which would be to cause any noncompliance with the provisions of Section 7.03), together with (1) a written statement of such accountants (x) to the effect that, in making the examination necessary for their certification of such financial statements, they have not obtained

any knowledge of the existence of an Event of Default or a Default under Section 7.03 and (y) if such accountants shall have obtained any knowledge of the existence of an Event of Default or such Default under Section 7.03, describing the nature thereof and (2) a comparison of such financial statements to the figures set forth in the projections covering such Fiscal Year and a management discussion of the variances, if any, from such projections;

(iii) as soon as available, and in any event within 30 days after the end of each fiscal month of the Parent and its Subsidiaries commencing with the first fiscal month of the Parent and its Subsidiaries ending after the Effective Date internally prepared consolidated and consolidating balance sheets, consolidated and consolidating statements of operations and consolidated and consolidating statements of cash flows as at the end of such fiscal month, and for the period commencing at the end of the immediately preceding Fiscal Year and ending with the end of such fiscal month, in each case, all in reasonable detail and certified by an Authorized Officer of the Parent as fairly presenting, in all material respects, the financial position of the Parent and its Subsidiaries as at the end of such fiscal month and the results of operations, retained earnings and cash flows of the Parent and its Subsidiaries for such fiscal month, in accordance with GAAP applied in a manner consistent with that of the most recent audited financial statements furnished to the Agents and the Lenders, subject to normal year-end audit adjustments and the absence of footnotes;

(iv) simultaneously with the delivery of the financial statements of the Parent and its Subsidiaries required by clauses (i) and (ii) of this Section 7.01(a), a certificate of an Authorized Officer of the Parent (A) stating that such Authorized Officer has reviewed the provisions of this Agreement and the other Loan Documents and has made or caused to be made under his or her supervision a review of the condition and operations of the Parent and its Subsidiaries during the period covered by such financial statements with a view to determining whether the Parent and its Subsidiaries were in compliance with all of the provisions of this Agreement and such Loan Documents at the times such compliance is required hereby and thereby (provided that the notices required pursuant to Section 6(i)(vi) of the Security Agreement shall be delivered on at least a quarterly basis), and that such review has not disclosed, and such Authorized Officer has no knowledge of, the existence during such period of an Event of Default or Default or, if an Event of Default or Default existed, describing the nature and period of existence thereof and the action which the Parent and its Subsidiaries propose to take or have taken with respect thereto and (B) attaching a schedule showing the calculation of the financial covenants specified in Section 7.03;

(v) simultaneously with the delivery of the financial statements of the Parent and its Subsidiaries required by clause (iii) of this Section 7.01(a), a Borrowing Base Certificate, current as of the close of business on the last day of the fiscal month as to which such financial statements relate, supported by schedules showing the derivation thereof and containing such detail and other information as any Agent may reasonably request from time to time, provided that (A) the Borrowing Base set forth in the Borrowing Base Certificate shall be effective from and including the date such Borrowing Base Certificate is duly received by the Agents but not including the date on which a subsequent Borrowing Base Certificate is received by the Agents, unless any Agent disputes the calculation of the Borrowing Base by notice of such dispute to the Borrower and (B) in the event of any dispute in the calculation of the Borrowing Base, such Agent's good faith judgment shall control;

(vi) as soon as available and in any event within 15 days after the end of each fiscal month of the Parent and its Subsidiaries commencing with the first fiscal month of the Parent and its Subsidiaries ending after the Effective Date, reports in form and detail reasonably satisfactory to the Agents and certified by an Authorized Officer of the Administrative Borrower as being accurate and complete (A) listing all Accounts Receivable of the Loan Parties as of such day, which shall include the amount and age of each such Account Receivable, showing separately those which are more than 30, 60, 90 and 120 days old and a description of all set-offs, defenses and counterclaims with respect thereto, together with a reconciliation of such schedule with the schedule delivered to the Agents pursuant to this clause (vi)(A) for the immediately preceding fiscal month, and such other information as any Agent may request, (B) listing all accounts payable of the Loan Parties as of each such day which shall include the amount and age of each such account payable, and such other information as any Agent may reasonably request, and (C) listing all Inventory of the Loan Parties as of each such day, and containing a breakdown of such Inventory by type and amount, the cost value thereof (by location), the warehouse and production facility location and such other information as any Agent may reasonably request, all in detail and in form reasonably satisfactory to the Agents;

(vii) as soon as available and in any event not later than 15 days after the commencement of each Fiscal Year, financial projections, displayed on a fiscal month by fiscal month basis for the then current Fiscal Year and otherwise in form and substance reasonably satisfactory to the Agents for such Fiscal Year for the Parent and its Subsidiaries, all such financial projections to be prepared on a reasonable basis and in good faith, and to be based on assumptions believed by the Parent to be reasonable at the time made and from the best information then available to the Parent;

(viii) promptly after any Loan Party knows that any Governmental Authority is commencing a material non-routine investigation against it, notice of such investigation and, thereafter, prompt reporting of any information relative to such investigation requested by either of the Agents;

(ix) as soon as possible, and in any event within 3 Business Days of an Authorized Officer's knowledge of an Event of Default or Default or the occurrence of any event or development that could reasonably be expected to result in a Material Adverse Effect, the written statement of an Authorized Officer of the Parent setting forth the details of such Event of Default or Default or other event or development that could reasonably be expected to result in a Material Adverse Effect and the action which the affected Loan Party proposes to take with respect thereto;

(x) (A) as soon as possible and in any event within 10 days after any Loan Party knows or has reason to know that (1) any Reportable Event with respect to any Employee Plan has occurred that could reasonably be expected to result in any material liability to a Loan Party, (2) any other Termination Event with respect to any Employee Plan has occurred that could reasonably be expected to result in any material liability to a Loan Party, or (3) an accumulated funding deficiency has been incurred or an application has been made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard (including installment payments) or an extension of any amortization period under Section 412

of the IRC with respect to an Employee Plan, a statement of an Authorized Officer of the Borrower setting forth the details of such occurrence and the action, if any, which such Loan Party or such ERISA Affiliate proposes to take with respect thereto, (B) promptly and in any event within 10 days after receipt thereof by any Loan Party from the PBGC, copies of each notice received by any Loan Party of the PBGC's intention to terminate any Employee Plan or to have a trustee appointed to administer any Employee Plan, (C) promptly and in any event within 10 days after the filing thereof with the Internal Revenue Service if requested by any Agent, copies of each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) with respect to each Employee Plan sponsored by a Loan Party, (D) promptly and in any event within 10 days after any Loan Party knows or has reason to know that a required installment within the meaning of Section 412 of the IRC has not been made when due with respect to an Employee Plan, (E) promptly and in any event within 10 days after receipt thereof by any Loan Party from a sponsor of a Multiemployer Plan or from the PBGC, a copy of each notice received by any Loan Party concerning the imposition or amount of withdrawal liability under Section 4202 of ERISA which could reasonably be expected to result in a Material Adverse Effect or indicating that such Multiemployer Plan may enter reorganization status under Section 4241 of ERISA, and (F) promptly and in any event within 10 days after any Loan Party thereof sends notice of a plant closing or mass layoff (as defined in WARN) to employees, copies of each such notice sent by such Loan Party;

(xi) promptly after the commencement thereof but in any event not later than 5 Business Days after service of process with respect thereto on, or the obtaining of knowledge thereof by, any Loan Party, notice of each action, suit or proceeding before any court or other Governmental Authority or other regulatory body or any arbitrator which, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(xii) as soon as possible and in any event within 5 Business Days after execution, receipt or delivery thereof, copies of any material notices that any Loan Party executes or receives in connection with any Material Contract if the notice concerns a materially adverse development regarding such Material Contract;

(xiii) promptly after the sending or filing thereof, copies of all statements, reports and other information any Loan Party sends to any holders of its Indebtedness or its securities or files with the SEC or any national (domestic or foreign) securities exchange;

(xiv) promptly upon receipt thereof, copies of all financial reports (including management letters), if any, submitted to any Loan Party by its auditors in connection with any annual or interim audit of the books thereof;

(xv) promptly after the date on which a Loan Party commences any proceeding alleging any commercial tort claim alleging damages in excess of \$400,000, a brief description of such commercial tort claim and grant of a security interest therein to the Collateral Agent in accordance with the Security Agreement;

(xvi) as soon as possible and in any event within 5 Business Days after execution, receipt or delivery thereof, copies of any material notices that any Loan

Party executes or receives in connection with the sale or other Disposition of the Equity Interests of, or all or substantially all of the assets of, any Loan Party; and

(xvii) promptly upon request, such other information concerning the condition or operations, financial or otherwise, of any Loan Party as any Agent from time to time may reasonably request.

(b) Additional Guaranties and Collateral Security. Cause:

(i) each Subsidiary of any Loan Party created or acquired after the Effective Date (the "New Subsidiary") to execute and deliver to the Collateral Agent promptly and in any event within 10 days after the formation or acquisition thereof (A) a Joinder, pursuant to which such New Subsidiary becomes a party to this Agreement as a Guarantor, except that a direct or indirect Subsidiary of a Canadian Loan Party (other than a US Loan Party) that is a CFC shall only guarantee the Canadian Obligations or become a Canadian Guarantor, (B) a supplement to the Security Agreement and/or the Canadian Security Agreement, as applicable, together with (x) if such New Subsidiary has any Domestic Subsidiaries, (I) certificates (if any) evidencing all of the Equity Interests of such Domestic Subsidiaries owned by such New Subsidiary, (II) undated stock powers executed in blank, and (III) such opinions of counsel and such approving certificate of such Subsidiaries as the Collateral Agent may reasonably request in respect of complying with any legend on any such certificate or any other matter relating to such shares, and (y) if such New Subsidiary has any first-tier Subsidiaries that are CFCs, (I) certificates (if any) evidencing all (or, 65% of the outstanding voting Equity Interests of such Subsidiaries if pledging or hypothecating more than 65% of the total outstanding voting Equity Interests of such Subsidiaries reasonably could be expected to result in material adverse tax consequences to the Loan Parties) of the outstanding voting Equity Interests of such Subsidiaries, (II) undated stock powers executed in blank, and (III) such opinions of counsel and such approving certificate of such Subsidiaries as the Collateral Agent may reasonably request in respect of complying with any legend on any such certificate or any other matter relating to such shares, (C) if such New Subsidiary has a fee interest in any real property that would constitute After Acquired Property if it were acquired by a Loan Party, one or more Mortgages creating on such real property a perfected, first priority Lien on such real property and a Title Insurance Policy covering such real property, a current Survey of such real property, a Phase I Environmental Site Assessment with respect to such real property, certified to the Collateral Agent by a company reasonably satisfactory to the Collateral Agent, together with such other agreements, instruments, and documents required under Section 7.01(o) as the Collateral Agent may reasonably require, and (D) such other agreements, instruments, approvals, legal opinions, or other documents reasonably requested by the Collateral Agent in order to create, perfect, establish the first priority of or otherwise protect any Lien purported to be covered by any such Security Agreement or Mortgage, or otherwise to effect the intent that such New Subsidiary shall become bound by all of the terms, covenants, and agreements contained in the Loan Documents and that all property and assets (other than Excluded Property (as defined in the Security Agreement)) of such New Subsidiary shall become Collateral for the Obligations; provided that the foregoing Guaranty, Joinder, Security Agreement, and Mortgage requirements shall not be required to be provided to the Collateral Agent with respect to any New Subsidiary of a Loan Party that is a CFC; and

(ii) each Loan Party that is the owner of the Equity Interests of such New Subsidiary to execute and deliver promptly and in any event within 10 days after the formation or acquisition of such New Subsidiary (A) if such New Subsidiary is not a CFC, (w) certificates (if any) evidencing all of the Equity Interests of such New Subsidiary, (x) undated stock powers or other appropriate instruments or assignment executed in blank, (y) such opinions of counsel and such approving certificate of such New Subsidiary as the Collateral Agent may reasonably request in respect of complying with any legend on any such certificate or any other matter relating to such shares, and (z) such other agreements, instruments, approvals, legal opinions, or other documents reasonably requested by the Collateral Agent, or (B) if such New Subsidiary is a first tier subsidiary that is a CFC, (w) certificates (if any) evidencing 65% of the outstanding voting (and 100% non-voting) Equity Interests of such New Subsidiary, (x) undated stock powers or other appropriate instruments or assignment executed in blank, (y) such opinions of counsel and such approving certificate of such New Subsidiary as the Collateral Agent may reasonably request in respect of complying with any legend on any such certificate or any other matter relating to such shares, and (z) such other agreements, instruments, approvals, legal opinions, or other documents reasonably requested by the Collateral Agent.

(c) Compliance with Laws, Etc. Comply, and cause each of its Subsidiaries to comply, in all material respects with all applicable laws, rules, regulations, orders (excluding Environmental Laws, which are the subject of Section 7.01(j) below), judgments and awards (including any settlement of any claim that, if breached, could give rise to any of the foregoing), such compliance to include, without limitation, (i) paying before the same become delinquent all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or upon any of its properties (other than taxes, assessments and governmental charges or levies or any other such lawful claims of a Governmental Authority in an aggregate amount at any one time not to exceed \$100,000), and (ii) paying all other lawful claims of a Governmental Authority which if unpaid might become a Lien or charge upon any of its properties, except, in each case, to the extent contested in good faith by proper proceedings which stay the imposition of any penalty, fine or Lien resulting from the non-payment thereof and with respect to which adequate reserves have been set aside for the payment thereof in accordance with GAAP.

(d) Preservation of Existence, Etc. Except as expressly permitted by Section 7.02(c), maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, its good standing in the jurisdiction of its organization, rights and privileges, and become or remain, and cause each of its Subsidiaries to become or remain, duly qualified and in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary except where the failure to maintain and preserve such rights and privileges or to become or remain duly qualified and in good standing in a foreign jurisdiction could not reasonably be expected to have a Material Adverse Effect.

(e) Keeping of Records and Books of Account. Keep, and cause each of its Subsidiaries to keep, adequate records and books of account, with complete entries made to permit the preparation of financial statements in accordance with GAAP.

(f) Inspection Rights. Permit, and cause each of its Subsidiaries to permit, the agents and representatives of any Agent at any time and from time to time during normal business hours and upon reasonable notice, at the expense of the Borrower (subject to the limitations set forth in Section 4.01), to examine and make copies of and abstracts from its records and books of account, to visit and inspect its properties, to verify leases, notes, accounts receivable, deposit accounts and its other assets, to conduct audits, physical counts, valuations, appraisals, Phase I Environmental Site Assessments or examinations, and to discuss its affairs, finances and accounts with any of its directors, officers, managerial employees, independent accountants or any of its other representatives. In furtherance of the foregoing, each Loan Party hereby authorizes its independent accountants, and the independent accountants of each of its Subsidiaries, to discuss the affairs, finances and accounts of such Person (provided that representatives of such Person shall be given a reasonable opportunity to be present) with the agents and representatives of any Agent in accordance with this Section 7.01(f).

(g) Maintenance of Properties, Etc. (i) Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, all of its tangible properties which are necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear and tear and casualty and condemnation excepted, except to the extent any such failure to preserve could not reasonably be expected to result in a Material Adverse Effect, and (ii) comply, and cause each of its Subsidiaries to comply, at all times with the provisions of all leases to which it is a party as lessee or under which it occupies real property, so as to prevent any loss or forfeiture thereof or thereunder, except to the extent any such noncompliance could not reasonably be expected to result in a Material Adverse Effect.

(h) Maintenance of Insurance. Maintain, and cause each of its Subsidiaries to maintain, insurance with responsible and reputable insurance companies or associations (including, without limitation, commercial general liability, rent and business interruption insurance) with respect to its properties (including all real properties leased or owned by it) and business, in such amounts and covering such risks as is required by any Governmental Authority having jurisdiction with respect thereto or as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and located and in any event in amount, adequacy and scope reasonably satisfactory to the Agents. All policies covering the Collateral are to be made payable to the Collateral Agent for the benefit of the Agents and the Lenders, as its interests may appear, in case of loss, under a standard non-contributory "lender" or "secured party" clause and are to contain such other provisions as the Collateral Agent may require to fully protect the Collateral Agent's interest in the Collateral and to any payments to be made under such policies. All certificates of insurance are to be delivered to the Collateral Agent and the policies are to be premium prepaid, with the loss payable and additional insured and first mortgagee endorsement in favor of the Collateral Agent and such other Persons as the Collateral Agent may designate from time to time, and shall provide for not less than 30 days (10 days in the case of non-payment) prior written notice to the Collateral Agent of the exercise of any right of cancellation. If any Loan Party or any of its Subsidiaries fails to maintain such insurance, the Collateral Agent may arrange for such insurance, but at the Borrower's expense and without any responsibility on either Agent's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Upon the occurrence and during the continuance of an Event of Default, the Collateral Agent shall have the sole right, in the name of the Lenders, any Loan

Party and its Subsidiaries, to file claims under any insurance policies, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

(i) Obtaining of Permits, Etc. Obtain, maintain and preserve, and cause each of its Subsidiaries to obtain, maintain and preserve, and take all necessary action to timely renew, all permits, licenses, authorizations, approvals, entitlements and accreditations which are necessary or useful in the proper conduct of its business except where the failure to obtain, maintain and preserve could not reasonably be expected to have a Material Adverse Effect.

(j) Environmental. (i) Keep any property either owned or operated by it or any of its Subsidiaries free of any Environmental Liens except for deed restrictions and other institutional controls that are utilized in connection with any Remedial Action at such property; (ii) comply, and cause each of its Subsidiaries to comply, with applicable Environmental Laws and provide to the Collateral Agent any documentation produced in the normal course of business of such compliance which the Collateral Agent may reasonably request, except where failure to comply could not reasonably be expected to result in a Material Adverse Effect; (iii) provide the Agents written notice within 10 days of any Release of a Hazardous Material in excess of any reportable quantity from or onto property owned or operated by it or any of its Subsidiaries and take any Remedial Actions required by applicable Environmental Laws to abate said Release, except for such Releases or Remedial Actions that could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect; (iv) promptly provide the Agents with written notice within 10 days of the receipt of any of the following: (A) notice that an Environmental Lien has been filed against any property of any Loan Party or any of its Subsidiaries, except for deed restrictions and other institutional controls that are utilized in connection with any Remedial Action at such property; (B) commencement of any Environmental Action or notice that an Environmental Action will be filed against any Loan Party or any of its Subsidiaries, except for Environmental Actions that could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect; and (C) notice of a violation, citation or other administrative order issued under or citing applicable Environmental Laws, except for violations, citations, or other administrative orders that could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect; and (v) defend, indemnify and hold harmless the Agents and the Lenders and their transferees, and their respective employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses (including attorney and consultant fees, investigation and laboratory fees, court costs and litigation expenses) arising out of (A) the presence, disposal, Release or threatened Release of any Hazardous Materials on any property at any time owned or occupied by any Loan Party or any of its Subsidiaries (or its predecessors in interest or title), (B) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (C) any investigation, lawsuit brought or threatened, settlement reached or government order relating to such Hazardous Materials, (D) any violation of any Environmental Law or (E) any Environmental Action filed against any Agent or any Lender; provided, that no Loan Party shall have any obligations to indemnify any Agent or any Lender to the extent that

any of the above results directly from the gross negligence or willful misconduct of such Agent or Lender or any of its Related Parties as determined in a final judgment by a court of competent jurisdiction.

(k) Further Assurances. Take such action and execute, acknowledge and deliver, and cause each of its Subsidiaries to take such action and execute, acknowledge, and deliver, at its sole cost and expense, such agreements, instruments, or other documents as any Agent may require from time to time in order (i) to carry out more effectively the purposes of this Agreement and the other Loan Documents, (ii) to subject to valid and perfected first priority Liens (subject to Permitted Liens) any of the Collateral or any other property of any Loan Party and its Subsidiaries (including commercial tort claims, deposit accounts, securities accounts, and commodities accounts, but excluding Excluded Property (as defined in the Security Agreement)), (iii) to establish and maintain the validity and effectiveness of any of the Loan Documents and the validity, perfection and priority of the Liens intended to be created thereby, (iv) to better assure, convey, grant, collaterally assign and confirm unto each Agent and each Lender the rights now or hereafter intended to be granted to it under this Agreement or any other Loan Document. In furtherance of the foregoing, to the maximum extent permitted by applicable law, each Loan Party (A) if a Loan Party has failed to comply with its undertakings in this Section after a written request therefore, authorizes each Agent to execute any such agreements, instruments, or other documents in such Loan Party's name and to file such agreements, instruments or other documents in any appropriate filing office or registry, (B) authorizes each Agent to file any financing statement required hereunder or under any other Loan Document, and any continuation statement or amendment with respect thereto, in any appropriate filing office or registry without the signature of such Loan Party, and (C) ratifies the filing of any financing statement, financing change statement, and any continuation statement or amendment with respect thereto, filed without the signature of such Loan Party prior to the date hereof. The Loan Parties shall use commercially reasonable efforts to sell the properties described in clause (j) of the definition of "Permitted Dispositions" within 90 days after the Effective Date, it being understood that if such properties have not been sold within such 90-day period, the Collateral Agent, in its sole discretion, may require the Loan Parties to deliver the documents described in Section 7.01(o) with respect to such unsold properties. Notwithstanding any provision set forth in this Agreement or in any Loan Document to the contrary, in no event shall (a) the assets of any CFC constitute security or secure the payment of the Obligations or (b) more than 65% of the voting stock of any first-tier Subsidiary of a Loan Party that is a CFC be required to be pledged to secure the Obligations.

(l) Change in Collateral; Collateral Records. (i) Give the Collateral Agent not less than 15 days prior written notice of any change in the location (other than (a) Equipment out for repair, (b) Equipment at employee's homes or (c) Equipment and Inventory having an aggregate value of less than \$200,000) of any tangible Collateral, other than to (or in-transit between) locations set forth on Schedule 6.01(ff) and any new locations acquired after the Effective Date and added to such Schedule by written notice to the Agents, and with respect to which the Collateral Agent has filed financing statements and otherwise fully perfected its Liens thereon, (ii) advise the Collateral Agent promptly, in sufficient detail, of any Material Adverse Effect relating to the type, quantity or quality of the Collateral or the Lien granted thereon, and (iii) execute and deliver, and cause each of its Subsidiaries to execute and deliver, to the Collateral Agent for the benefit of the Agents and the Lenders from time to time, solely for the

Collateral Agent's convenience in maintaining a record of Collateral, such written statements and schedules as the Collateral Agent may reasonably require, designating, identifying or describing the Collateral.

(m) Landlord Waivers and Consent. Use commercially reasonable efforts to obtain a Landlord Waiver and Consent Agreement for each leased property identified on Schedule 6.1(o), in a form reasonably satisfactory to the Agent (the "Landlord Waiver and Consents"), provided, that no Loan Party shall be obligated to pay any money in connection with using its commercially reasonable efforts to obtain the Landlord Waiver and Consents.

(n) Subordination. Cause all Indebtedness and other obligations now or hereafter owed by it to any of its Affiliates (other than the Obligations), to be subordinated in right of payment and security to the Obligations pursuant to a subordination agreement in form and substance reasonably satisfactory to the Agents if requested.

(o) After Acquired Property. Upon the acquisition by any Loan Party of any After Acquired Property, immediately so notify the Collateral Agent, setting forth the location of such real property, any structures or improvements thereon and such Loan Party's good-faith estimate of the current estimated fair market value of such real property (for purposes of this Section, the "Current Value"). The Collateral Agent shall notify such Loan Party whether it intends to require a Mortgage and the other documents referred to below. Upon receipt of such notice requesting a Mortgage, the Person which has acquired such After Acquired Property shall furnish to the Collateral Agent the following as soon as reasonably practical (but in any event, within forty-five (45) days) after such Loan Party's receipt of the Collateral Agent's notice, each in form and substance reasonably satisfactory to the Collateral Agent: (i) a Mortgage with respect to such real property and related assets located at the After Acquired Property, each duly executed by such Person and in recordable form; (ii) evidence of the recording of the Mortgage referred to in clause (i) above in such office or offices as may be necessary or, in the opinion of the Collateral Agent, desirable to create and perfect a valid and enforceable first priority Lien on the property purported to be covered thereby or to otherwise protect the rights of the Agents and the Lenders thereunder, (iii) a Title Insurance Policy (if customary in jurisdictions outside the United States or Canada), (iv) a Survey and a Phase I Environmental Site Assessment with respect to such real property (if customary in jurisdictions outside the United States or Canada), certified to the Collateral Agent by a company reasonably satisfactory to the Collateral Agent, in form and substance reasonably satisfactory to the Collateral Agent, and (v) such other documents or instruments (including opinions of counsel) as the Collateral Agent may reasonably require. The Borrower shall pay all fees and expenses, including reasonable attorneys fees and expenses, and all title insurance charges and premiums, in connection with each Loan Party's obligations under this Section 7.01(o).

(p) Fiscal Year. Cause the Fiscal Year of the Parent and its Subsidiaries to end on December 31 of the calendar year unless the Agents consent to a change in such Fiscal Year of the Parent and its Subsidiaries (and appropriate related changes to this Agreement).

(q) Borrowing Base. Maintain all Revolving Loans in compliance with the then current Borrowing Base.

(r) Canadian Employees.

(i) The Canadian Loan Parties shall obtain and provide the Collateral Agent, upon its request, with written confirmation of continued registration from the applicable Governmental Authorities for each Canadian Pension Plan that is required to be registered with such Governmental Authority under Canadian Employee Benefits Legislation. The Canadian Loan Parties shall ensure that each Canadian Pension Plan (other than a Canadian Pension Plan that is a multi-employer pension plan) retains its registered status under the Canadian Employee Benefits Legislation and is administered in all material respects in accordance with the terms of the applicable Canadian Pension Plan (other than a Canadian Pension Plan that is a multi-employer pension plan) text, funding agreement and Canadian Employee Benefits Legislation.

(ii) The Canadian Loan Parties will cause all material reports and disclosures required to be filed and distributed by it under the Canadian Employee Benefits Legislation to be filed and distributed as required thereunder. Each Loan Party shall deliver to the Agents, (a) on request, promptly after the filing thereof by it with any applicable Governmental Authority, copies of each annual and other return, report or valuation with respect to each Canadian Pension Plan; (b) promptly after receipt thereof, a copy of any direction, order, notice, ruling or opinion that it may receive from any applicable Governmental Authority with respect to any Canadian Pension Plan; (c) notification within 30 days of any increases in the benefits of any existing Canadian Pension Plan, or the establishment of any new Canadian Pension Plan, or the commencement of contributions to any plan to which it was not previously contributing; (d) promptly, and in any event not less than ten (10) Business Days in advance, written notice of any resolution to wind-up or terminate a Canadian Pension Plan, and (e) promptly, any then available material financial information (including financial statements, actuarial valuations, filed or unfiled, and interim updates) in respect of any Canadian Pension Plan.

(iii) If applicable, the Canadian Loan Parties shall perform in all material respects all its obligations (including (if applicable), funding, investment and administration obligations) required to be performed by the Canadian Loan Parties in connection with each applicable Canadian Pension Plan and Canadian Employee Plan, pay contributions or all premiums required to be made or paid by it in accordance with the terms of each applicable Canadian Employee Plan and Canadian Employee Benefits Legislation and withhold by way of authorized payroll deductions or otherwise collect and pay into the applicable Canadian Pension Plan or Canadian Employee Plan all Canadian Employee contributions required to be withheld or collected by it in accordance with the terms of each applicable Canadian Pension Plan or Canadian Employee Plan, and Canadian Employee Benefits Legislation and ensure that, to the extent that the Canadian Loan Parties have a Canadian Pension Plan (other than a Canadian Pension Plan that is a multi-employer pension plan) which is a defined benefit pension plan, that such plan is funded, both on an ongoing basis and on a solvency basis in accordance with Canadian Employee Benefits Legislation.

(s) Post-Closing Covenants.

(i) Within 45 days of the Effective Date, the Collateral Agent shall have received, in form and substance reasonably satisfactory to the Collateral Agent, a Mortgage with respect to the Indiana Plant and evidence of the recording thereof in such office or offices as may be necessary or, in the reasonable opinion of the Collateral Agent, desirable to create and perfect a valid and enforceable first priority Lien on the property purported to be covered thereby or to otherwise protect the rights of the Agents and the Lenders thereunder;

(ii) Within 45 days of the Effective Date, the Collateral Agent shall have received a Title Insurance Policy with respect to the Indiana Plant;

(iii) Within 45 days of the Effective Date, the Collateral Agent shall have received a desk-top environmental review with respect to the Indiana Plant; the environmental consultants retained for such review, the scope of the review, and the results thereof shall be reasonably acceptable to the Collateral Agent;

(iv) Within 45 days of the Effective Date, the Collateral Agent shall have received an opinion of applicable local counsel with respect to the Mortgage on the Indiana Plant, as to such matters as the Collateral Agent may reasonably request;

(v) Within 30 days of the Effective Date, the Collateral Agent shall have received, in form and substance reasonably satisfactory to the Collateral Agent, a Landlord Waiver and Consent from AP Southeast Portfolio Partners, L.P. for the premises at Suite 102 Brookfield Plaza, Greenville, South Carolina; and

(vi) Within 90 days of the Effective Date, the Collateral Agent shall have received, in form and substance reasonably satisfactory to the Collateral Agent, a Control Agreement with Toronto-Dominion Bank, for the accounts held by the Canadian Borrower.

Section 7.02 Negative Covenants. So long as any principal of or interest on any Loan or any other Obligation (other than unasserted contingent indemnification Obligations) shall remain unpaid or any Lender shall have any Commitment hereunder, each Loan Party shall not and shall not permit any of its Subsidiaries to:

(a) Liens, Etc. Create, incur, assume or suffer to exist, or permit any of its Subsidiaries to create, incur, assume or suffer to exist, any Lien upon or with respect to any of its properties, whether now owned or hereafter acquired; file or suffer to exist under the Uniform Commercial Code, the PPSA or any similar law or statute of any jurisdiction, a financing statement (or the equivalent thereof) that names it or any of its Subsidiaries as debtor; sign or suffer to exist any security agreement authorizing any secured party thereunder to file such financing statement (or the equivalent thereof); sell any of its property or assets subject to an understanding or agreement, contingent or otherwise, to repurchase such property or assets (including sales of accounts receivable) with recourse to it or any of its Subsidiaries or assign or otherwise transfer, or permit any of its Subsidiaries to assign or otherwise transfer, any account or other right to receive income (other than Permitted Dispositions); other than, as to all of the above, Permitted Liens; provided, that no Liens shall be permitted on any assets included in the

Borrowing Base other than the Liens of the Collateral Agent and other than Liens described in clauses (b) and (j) of the definition of Permitted Liens.

(b) Indebtedness. Create, incur, assume, guarantee or suffer to exist, or otherwise become or remain liable with respect to, or permit any of its Subsidiaries to create, incur, assume, guarantee or suffer to exist or otherwise become or remain liable with respect to, any Indebtedness other than Permitted Indebtedness.

(c) Fundamental Changes; Dispositions. Wind-up, liquidate or dissolve, or merge, consolidate or amalgamate with any Person, or convey, sell, lease or sublease, transfer or otherwise dispose of, whether in one transaction or a series of related transactions, all or any part of its business, property or assets, whether now owned or hereafter acquired (or agree to do any of the foregoing), or purchase or otherwise acquire, whether in one transaction or a series of related transactions, all or substantially all of the assets of any Person (or any division thereof) (or agree to do any of the foregoing), or permit any of its Subsidiaries to do any of the foregoing; provided, however, that

(i) any Loan Party (other than the Parent) may be merged or consolidated into or amalgamated with another Loan Party (other than the Parent), so long as (A) no other provision of this Agreement would be violated thereby, (B) such Loan Party gives the Agents at least 15 days prior written notice of such merger or consolidation or amalgamation, (C) no Default or Event of Default shall have occurred and be continuing either before or immediately after giving effect to such transaction, (D) the Collateral Agent's rights in any Collateral, including, without limitation, the existence, perfection and priority of any Lien thereon, are not adversely affected by such merger or consolidation or amalgamation, (E) the surviving or continuing Person, if any, is joined as a Loan Party hereunder and is a party to a Guaranty and Security Agreement and the Equity Interests of such Person is the subject of a Security Agreement, in each case, which is in full force and effect on the date of and immediately after giving effect to such merger or consolidation or amalgamation and (F) in the case of a merger or consolidation or amalgamation involving a Person composing the Borrower, such Person composing the Borrower is the survivor thereof;

(ii) any Loan Party and its Subsidiaries may make Permitted Dispositions; and

(iii) any of Borrower's Subsidiaries that are not Loan Parties may wind-up, liquidate, or dissolve if (A) the governing body of such Subsidiary shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Parent and its Subsidiaries, and (B) the value of such Subsidiary is immaterial to the Parent, its Subsidiaries, and the Lenders.

(iv) Parent and its Subsidiaries may form wholly-owned Subsidiaries to be capitalized with assets and cash it contributes to such wholly-owned Subsidiaries, so long as (A) no other provision of this Agreement would be violated thereby, (B) the Administrative Borrower gives the Agents at least 15 days prior written notice of such formation, (C) the wholly-owned Subsidiary becomes a Loan Party hereunder and becomes a party to this Agreement, the Security Agreement, the Intercompany Subordination Agreement

and the other Loan Documents, and the Equity Interests of such Person is the subject of a Security Agreement, in each case, which is in full force and effect on the date of and immediately after giving effect to such formation.

(d) Change in Nature of Business; Change in Independent Certified Public Accountant. Make, or permit any of its Subsidiaries to make, any change in the nature of its business as described in Section 6.01(I), or acquire any material properties or assets that are not reasonably related to the conduct of such business activities. Make any change in its independent certified public accountant without the prior written consent of the Agents, not to be unreasonably withheld.

(e) Loans, Advances, Investments, Etc. Make or commit or agree to make any loan, advance guarantee of obligations, other extension of credit or capital contributions to, or hold or invest in or commit or agree to hold or invest in, or purchase or otherwise acquire or commit or agree to purchase or otherwise acquire any shares of the Equity Interests, bonds, notes, debentures or other securities of, or make or commit or agree to make any other investment in, any other Person, or purchase or own any futures contract or otherwise become liable for the purchase or sale of currency or other commodities at a future date in the nature of a futures contract, or purchase all or substantially all of the assets of any other Person, or permit any of its Subsidiaries to do any of the foregoing, except for: (i) investments existing on the date hereof, as set forth on Schedule 7.02(e) hereto, but not any increase in the amount thereof as set forth in such Schedule or any other modification of the terms thereof (except for an increase in value thereof), (ii) loans by a Loan Party (A) to another Loan Party (other than the Ultimate Parent, the Parent and the Canadian Borrower), made in the ordinary course of business and (B) to the Canadian Borrower or any other CFC of a Loan Party so long as, in the case of clause (B), (I) the aggregate amount of such loans made after the Effective Date shall not exceed \$1,500,000 at any one time outstanding, (II) the sum of Availability and Qualified Cash shall exceed \$1,500,000 after giving effect to the making of such loan and (III) no Default or Event of Default has occurred and is continuing at the time of the making of such loan or would result therefrom, (iii) Permitted Investments, (iv) loans to employees of the Loan Parties to enable them to purchase Equity Interests of the Parent or one of its Subsidiaries, so long as the transaction is consummated on a non-cash basis, (v) investments in direct and indirect Subsidiaries of the Parent in existence on the Effective Date in the form of Equity Interests issued by the Parents' Subsidiaries, to the extent that such Equity Interests are described on Schedule 6.01(e), (vi) advances to officers and other employees of the Loan Parties in the ordinary course of business in an aggregate outstanding amount at any one time not in excess of \$100,000; (vii) investments of the Borrowers and its Subsidiaries consisting of notes, other similar instruments and other non-cash consideration received in connection with Permitted Dispositions; (viii) investments consisting of endorsements for the collection or deposits in the ordinary course of business; (ix) investments received in connection with good faith settlement of delinquent Accounts Receivable and disputes with any customers or suppliers in the ordinary course of business in an aggregate outstanding amount at any one time not in excess of \$100,000; (x) other investments in an aggregate amount not to exceed \$250,000; provided, that after giving effect to each such investment, (A) no Default or Event of Default has occurred and is continuing or would result therefrom, (B) the Borrowers would be in compliance with each of the financial covenants set forth in Section 7.03, calculated on a pro forma basis after giving effect to the proposed investment (and the Borrowers has delivered to the Agents a certificate which meets the

requirements of Section 7.01(a)(iv), dated as of the date of the proposed investment, and which demonstrates such pro forma compliance of the Borrowers with the financial covenants set forth in Section 7.03 as of such date), and (C) the Loan Party that made such investment shall take any actions that may be required (if any) or that the Collateral Agent may reasonably request in order for the Collateral Agent to obtain a first priority, perfected Lien in and to any assets or other property (other Excluded Property (as defined in the Security Agreement)) acquired by such Loan Party in connection with such investment; (xi) Investments constituting Indebtedness permitted by Section 7.02(b); (xii) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business; (xiii) [reserved]; (xiv) Investments resulting from pledges or deposits described in clauses (f) and (t) of the definition of Permitted Liens; (xv) loans by a CFC (other than the Canadian Borrower) to another CFC; and (xvi) loans by a CFC to a Loan Party (other than the Ultimate Parent and the Parent), so long as such CFC is a party to the Intercompany Subordination Agreement.

(f) Lease Obligations. Create, incur or suffer to exist, or permit any of its Subsidiaries to create, incur or suffer to exist, any obligations as lessee for the payment of rent for any real or personal property in connection with any sale and leaseback transaction; provided that nothing herein shall restrict any Loan Party or any of its Subsidiaries' ability to create, incur or suffer to exist, any obligations as lessee for the payment of rent for any real property in the ordinary course of business.

(g) [Intentionally Omitted].

(h) Restricted Payments. (i) Declare or pay any dividend or other distribution, direct or indirect, on account of any Equity Interests of any Loan Party or any of its Subsidiaries, now or hereafter outstanding, (ii) make any repurchase, redemption, retirement, defeasance, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any Equity Interests of any Loan Party or any direct or indirect parent of any Loan Party, now or hereafter outstanding, (iii) make any payment to retire, or to obtain the surrender of, any outstanding warrants, options or other rights for the purchase or acquisition of shares of any class of Equity Interests of any Loan Party, now or hereafter outstanding, or (iv) pay any management fees or any other fees or expenses (including the reimbursement thereof by any Loan Party or any of its Subsidiaries) pursuant to any management, consulting or other services agreement to any of the shareholders or other equityholders of any Loan Party or any of its Subsidiaries or other Affiliates, or to any other Subsidiaries or Affiliates of any Loan Party; provided, however, that (A) (x) so long as no Default or Event of Default has occurred and is continuing or would result therefrom and so long as the sum of Availability plus Qualified Cash both before and after giving effect thereto is not less than \$1,500,000, the Loan Parties may pay Permitted Management Fees in cash, in accordance with the Management Agreement, and (y) the Loan Parties may pay out-of-pocket expenses and indemnification payments pursuant to the Management Agreement; provided, that to the extent that any amounts permitted to be paid pursuant to clause (x) are voluntarily deferred or may not be paid as a result of the failure to satisfy the conditions herein, such fees shall accrue and may be payable without regard to the limitations in the definition of Permitted Management Fees when the conditions herein are satisfied, (B) the Parent and Borrowers may repurchase or redeem (or make distributions to Ultimate Parent to permit Ultimate Parent to repurchase or redeem) Equity Interests issued to

employees of the Parent or any of its Subsidiaries (x) in an aggregate amount not to exceed \$250,000 per year, so long as no Default or Event of Default has occurred and is continuing or would result therefrom and so long as no Revolving Loans are outstanding immediately after giving effect to such equity purchases and (y) by issuing Indebtedness pursuant to clause (m) of the definition of Permitted Indebtedness, in each case, pursuant to any employee stock ownership plan or otherwise upon approval by the Board of Ultimate Parent upon the termination, retirement or death of any such employee in accordance with the provisions of such plan or approval, (C) each Borrower or any of its Subsidiaries may make payments, distributions, dividends or advances to the Parent to enable the Parent to make payments, distributions, dividends or advances permitted under clauses (A) and (B) above, (D) each Borrower may pay dividends or make distributions to the Parent (and Parent may thereafter pay dividends or make distributions to Ultimate Parent) to enable the Parent and Ultimate Parent to pay customary expenses arising in the ordinary course of each of Ultimate Parent's and Parent's business solely as a result of its ownership and operation of the Parent, Borrower and its Subsidiaries and out-of-pocket expenses related to its compliance with or actions which are expressly permitted under the terms of this Agreement and the other Loan Documents, (E) any Subsidiary of any entity composing the Borrower may pay dividends or distributions to any other entity composing such Borrower, (F) the Parent may pay dividends in the form of common Equity Interests, and (G) each Borrower may pay Permitted Tax Distributions; provided, any dividend or distribution provided for by this clause (G) shall be permitted no earlier than 10 Business Days prior to the due date of such taxes under Applicable Law.

(i) Federal Reserve Regulations. Permit any Loan or the proceeds of any Loan under this Agreement to be used for any purpose that would cause such Loan to be a margin loan under the provisions of Regulation T, U or X of the Board.

(j) Transactions with Affiliates. Enter into, renew, extend or be a party to, or permit any of its Subsidiaries to enter into, renew, extend or be a party to, any transaction or series of related transactions (including, without limitation, the purchase, sale, lease, transfer or exchange of property or assets of any kind or the rendering of services of any kind) with any Affiliate, except (i) in the ordinary course of business for fair consideration and on terms and conditions at least as favorable as would be obtained by such Loan Party at that time in a comparable arm's length transaction with a Person that is not an Affiliate thereof, (ii) transactions with another Loan Party, (iii) transactions permitted by Section 7.02(c)(i), (e) or (h), (iv) the Obligations and transactions pursuant to the Loan Documents and (v) transactions among Loan Parties and CFCs in the ordinary course of business to the extent such transactions are otherwise permitted hereunder.

(k) Limitations on Dividends and Other Payment Restrictions Affecting Subsidiaries. Create or otherwise cause, incur, assume, suffer or permit to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Subsidiary of any Loan Party (i) to pay dividends or to make any other distribution on any shares of Equity Interests of such Subsidiary owned by any Loan Party or any of its Subsidiaries, (ii) to pay or prepay or to subordinate any Indebtedness owed to any Loan Party or any of its Subsidiaries, (iii) to make loans or advances to any Loan Party or any of its Subsidiaries or (iv) to transfer any of its property or assets to any Loan Party or any of its Subsidiaries, or permit

any of its Subsidiaries to do any of the foregoing; provided, however, that nothing in any of clauses (i) through (iv) of this Section 7.02(k) shall prohibit or restrict compliance with:

- (A) this Agreement and the other Loan Documents;
- (B) any agreements in effect on the date of this Agreement and described on Schedule 7.02(k);
- (C) any applicable law, rule or regulation (including applicable currency control laws and applicable state corporate statutes restricting the payment of dividends in certain circumstances);
- (D) in the case of clause (iv), any agreement setting forth customary restrictions on the subletting, assignment or transfer of any property or asset that is leased or licensed;
- (E) in the case of clause (iv), any agreement, instrument or other document evidencing a Permitted Lien that restricts, on customary terms, the transfer of any property or assets subject thereto; or
- (F) in the case of clause (iv), customary provisions in joint venture agreements and other similar agreements applicable to joint ventures.

(l) Limitation on Issuance of Equity Interests. Except for the issuance or sale of common stock or Qualified Equity Interests by the Parent, issue or sell or enter into any agreement or arrangement for the issuance and sale of, or permit any of its Subsidiaries to issue or sell or enter into any agreement or arrangement for the issuance and sale of, any shares of its Equity Interests, any securities convertible into or exchangeable for its Equity Interests or any warrants.

(m) Modifications of Indebtedness, Organizational Documents and Certain Other Agreements; Etc. (i) Amend, modify or otherwise change (or permit the amendment, modification or other change in any manner of) any of the provisions of any of its or its Subsidiaries' Indebtedness or of any instrument or agreement (including any other purchase agreement, indenture, loan agreement, or security agreement) relating to any such Indebtedness if such amendment, modification or change would shorten the final maturity or average life to maturity of, or require any payment to be made earlier than the date originally scheduled on, such Indebtedness, would increase the interest rate applicable to such Indebtedness, would change the subordination provisions, if any, of such Indebtedness, or would otherwise be adverse to the Lenders or the issuer of such Indebtedness in any respect, (ii) make any voluntary or optional payment (including, without limitation, any payment of interest in cash that, at the option of the issuer, may be paid in cash or in kind), prepayment, redemption, defeasance, sinking fund payment or other acquisition for value of any of its or its Subsidiaries' Indebtedness (including, without limitation, by way of depositing money or securities with the trustee therefor before the date required for the purpose of paying any portion of such Indebtedness when due), (iii) refund, refinance, replace or exchange any other Indebtedness for any such Indebtedness other than (A) the Obligations, (B) to the extent such Indebtedness is otherwise expressly permitted by the definition of "Permitted Indebtedness", or (C) prepayments of Indebtedness

permitted under (I) clauses (c) or (d) of the definition of "Permitted Indebtedness" with the proceeds of a Disposition of the assets securing such Indebtedness so long as the Liens on such assets, and such Disposition, are expressly permitted hereunder, and (II) clause (j) of the definition of "Permitted Indebtedness", (iv) except as required hereby and except in respect of Indebtedness permitted under (I) clauses (c) or (d) of the definition of "Permitted Indebtedness", make any payment, prepayment, redemption, defeasance, sinking fund payment or repurchase of any outstanding Indebtedness as a result of any asset sale, change of control, issuance and sale of debt or equity securities or similar event, or give any notice with respect to any of the foregoing, (v) except as permitted by Section 7.02(c), amend, modify or otherwise change its name, jurisdiction of organization, organizational identification number or FEIN, (vi) amend, modify or otherwise change its certificate of incorporation or bylaws (or other similar organizational documents), including by the filing or modification of any certificate of designation, or any agreement or arrangement entered into by it, with respect to any of its Equity Interests (including any shareholders' agreement), or enter into any new agreement with respect to any of its Equity Interests, except any such amendments, modifications or changes or any such new agreements or arrangements pursuant to this clause (vi) that either individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, or (vii) amend, modify or otherwise change (or permit the amendment, modification or other change in any manner of) any of the provisions of the Management Agreement in a manner adverse to the Lenders or the Loan Parties.

(n) Investment Company Act of 1940. Engage in any business, enter into any transaction, use any securities or take any other action or permit any of its Subsidiaries to do any of the foregoing, that would cause it or any of its Subsidiaries to become subject to the registration requirements of the Investment Company Act of 1940, as amended, by virtue of being an "investment company" or a company "controlled" by an "investment company" not entitled to an exemption within the meaning of such Act.

(o) Reserved.

(p) ERISA. Except where any failure to comply could not reasonably be expected to result in a Material Adverse Effect, (i) engage in any transaction described in Section 4069 of ERISA; (ii) engage in any prohibited transaction described in Section 406 of ERISA or 4975 of the IRC for which a statutory or class exemption is not available or a private exemption has not previously been obtained from the U.S. Department of Labor; (iii) adopt any employee welfare benefit plan within the meaning of Section 3(1) of ERISA which provides benefits to employees after termination of employment other than as required by Section 601 of ERISA or applicable law; (iv) fail to make any contribution or payment to any Multiemployer Plan which it or any ERISA Affiliate may be required to make under any agreement relating to such Multiemployer Plan, or any law pertaining thereto; or (v) fail to pay any required installment or any other payment required to be made to any Employee Plan sponsored by a Loan Party under Section 412 of the IRC on or before the due date for such installment or other payment.

(q) Canadian Pension Plans. (i) Contribute to or assume an obligation to contribute to any new defined benefit Canadian Pension Plan to which it is not already contributing on the date hereof, without the prior written consent of the Agents, acting

reasonably, (ii) acquire an interest in any Person if such Person sponsors, maintains or contributes to, or at any time in the five-year period preceding such acquisition has sponsored, maintained, or contributed to a defined benefit Canadian Pension Plan, without the prior written consent of the Agents, acting reasonably; or (iii) wind-up any defined benefit Canadian Pension Plan, in whole or in part, unless it has obtained written advice from the actuary for such plan that the plan (or part thereof in the case of a partial windup) is fully funded, without the prior written consent of the Agents, acting reasonably.

(r) Environmental. Permit the use, handling, generation, storage, treatment, release or disposal of Hazardous Materials at any property owned or leased by it or any of its Subsidiaries, except as could not reasonably be expected to result in a Material Adverse Effect.

(s) Certain Agreements. Agree to any amendment or other change to or material waiver of any of its rights under any Material Contract, in each case that could reasonably be expected to result in a Material Adverse Effect.

(t) Parent as Holding Company. Permit Parent to incur any liabilities (other than liabilities arising or permitted under the Loan Documents), own or acquire any assets (other than the Equity Interests of other Loan Parties, dividends and distributions made on such Equity Interests and other de minimis assets) or engage itself in any operations or business (other than actions required for compliance with, or are expressly permitted under, the Loan Documents).

(u) Anti-Terrorism Laws. (i) Conduct any business or engage in any transaction or dealing with any Blocked Person, including the making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person,

(ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order No. 13224 or

(iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive Order No. 13224, the USA PATRIOT Act or any other Anti-Terrorism Law.

(iv) The Loan Parties shall deliver to the Lenders any certification or other evidence reasonably requested from time to time by any Lender in its sole discretion, confirming the Loan Parties' compliance with this Section 7.02(t).

Section 7.03 Financial Covenants. So long as any principal of or interest on any Loan or any other Obligation (other than unasserted contingent indemnification Obligations) shall remain unpaid or any Lender shall have any Commitment hereunder, each Loan Party shall not:

(a) Leverage Ratio. Permit the Leverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be greater than the applicable ratio set forth below:

<u>Period Ending</u>	<u>Leverage Ratio</u>
December 31, 2012	2.875:1.00
March 31, 2013	2.875:1.00
June 30, 2013	2.875:1.00
September 30, 2013	2.875:1.00
December 31, 2013	2.80:1.00
March 31, 2014	2.80:1.00
June 30, 2014	2.80:1.00
September 30, 2014	2.75:1.00
December 31, 2014	2.70:1.00
March 31, 2015	2.65:1.00
June 30, 2015	2.60:1.00
September 30, 2015	2.55:1.00
December 31, 2015	2.50:1.00
March 31, 2016	2.45:1.00
June 30, 2016	2.40:1.00
September 30, 2016	2.35:1.00
December 31, 2016	2.30:1.00
March 30, 2017	2.25:1.00
June 30, 2017	2.20:1.00
September 30, 2017	2.15:1.00
December 31, 2017	2.10:1.00

(b) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be less than the amount set forth opposite such date:

<u>Period</u>	<u>Fixed Charge Coverage Ratio</u>
December 31, 2012	0.90:1.00
March 31, 2013	1.00:1.00
June 30, 2013	1.00:1.00
September 30, 2013	1.00:1.00
December 31, 2013	1.00:1.00
March 31, 2014	1.00:1.00
June 30, 2014	1.00:1.00
September 30, 2014	1.00:1.00
December 31, 2014	1.00:1.00
March 31, 2015	1.00:1.00
June 30, 2015	1.10:1.00
September 30, 2015	1.10:1.00
December 31, 2015	1.10:1.00
March 31, 2016	1.10:1.00
June 30, 2016	1.10:1.00
September 30, 2016	1.10:1.00
December 31, 2016	1.15:1.00

March 30, 2017	1.15:1.00
June 30, 2017	1.15:1.00
September 30, 2017	1.15:1.00
December 31, 2017	1.15:1.00

(c) Capital Expenditures. Make unfinanced Capital Expenditures in any Fiscal Year in excess of the amount set forth in the following table for the applicable period:

<u>Period</u>	<u>Capital Expenditures</u>
3 months ending December 31, 2012	\$1,869,000
Fiscal Year ending December 31, 2013, and each Fiscal Year thereafter	\$5,750,000

provided, that, if the amount of the Capital Expenditures permitted to be made in any Fiscal Year as set forth in the above table is greater than the actual amount of such Capital Expenditures actually made in such Fiscal Year (such amount, the "Excess Amount"), then 50% of such Excess Amount (the "Carry Over Amount") applicable to one Fiscal Year may be carried forward to another Fiscal Year; provided, further, the Loan Parties may make unfinanced Capital Expenditures in each of Fiscal Years 2013 and 2014 in excess of the amounts set forth in the table above for each such Fiscal Year in connection with the "Saginaw Heads" project if such project is awarded to any Loan Party by GM and subject to the Agents' approval of the project in their reasonable discretion, so long as the aggregate amount of such additional unfinanced Capital Expenditures does not exceed \$1,000,000.

(d) TTM EBITDA. Permit TTM EBITDA of the Ultimate Parent and its Subsidiaries as of each date set forth below to be less than the amount set forth opposite such date:

<u>Fiscal Quarter End</u>	<u>Consolidated EBITDA</u>
December 31, 2012	\$16,071,000
March 31, 2013	\$15,102,000
June 30, 2013	\$14,332,000

September 30, 2013	\$14,041,000
December 31, 2013	\$14,126,000
March 31, 2014	\$14,277,000
June 30, 2014	\$14,428,000
September 30, 2014	\$14,555,000
December 31, 2014	\$14,703,000
March 31, 2015	\$15,329,000
June 30, 2015	\$15,911,000
September 30, 2015	\$16,463,000
December 31, 2015	\$17,023,000
March 31, 2016	\$17,324,000
June 30, 2016	\$17,604,000
September 30, 2016	\$17,863,000
December 31, 2016 and each quarter thereafter	\$18,133,000

ARTICLE VIII

MANAGEMENT, COLLECTION AND STATUS OF ACCOUNTS RECEIVABLE AND OTHER COLLATERAL

Section 8.01 Collection of Accounts Receivable; Management of Collateral.

(a) On or prior to the Effective Date, each Loan Party shall assist the Collateral Agent in establishing, and, during the term of this Agreement, maintaining blocked accounts (together with any deposit accounts or securities accounts for which the Collateral Agent is the depository or securities intermediary, the "Blocked Accounts") with respect to such Loan Party's deposit accounts with the financial institutions set forth on Schedule 8.01 hereto or other deposit accounts opened after the Effective Date in accordance with the Security Agreement (the "Blocked Account Bank"), and enter into a Control Agreement relating to each Blocked Account among the applicable Loan Party, the Collateral Agent and the Blocked Account Bank; provided, that the Blocked Accounts shall not include, and no Control Agreement shall be required for (i) Deposit Accounts specially and exclusively used for payroll, payroll

taxes and other employee wage and benefit payments to or for the benefit of a Loan Party's salaried employees, provided that the funds on deposit in such deposit accounts shall at no time exceed the actual payroll, payroll taxes and other employee wage and benefit payments then owing by such Loan Party for the immediately succeeding payroll period and (ii) zero balance accounts and petty cash accounts so long as the aggregate amount of funds on deposit in such accounts does not exceed \$15,000 during any three consecutive Business Days. Each of the Loan Parties shall irrevocably instruct its Account Debtors, with respect to its Accounts Receivable, to remit all payments to be made by them, whether by means of checks or other drafts or by wire transfer or by Automated Clearing House, Inc. payment, to a Blocked Account and shall instruct the Blocked Account Bank to deposit all amounts received by it to a Blocked Account at such Blocked Account Bank on the day received or, if such day is not a Business Day, on the next succeeding Business Day. Each of the Loan Parties will enforce, collect and receive all amounts owing on their Accounts Receivable for the Agents' benefit and on the Agents' behalf, but at such Loan Party's expense; such privilege shall terminate, at the election of any Agent, upon the occurrence and during the continuation of a Triggering Event. All checks, drafts, notes, money orders, acceptances, cash and other evidences of Indebtedness received directly by any Loan Party from any Account Debtor, as proceeds from their Accounts Receivable, or as proceeds of any other Collateral, shall be held by such Loan Party in trust for the Agents and the Lenders and upon receipt be deposited by such Loan Party in original form and no later than the next Business Day after receipt thereof into a Blocked Account. Each Loan Party shall not commingle such collections with their own funds or with the proceeds of any assets not included in the Collateral. All funds received in the Blocked Accounts (i) after the occurrence and during the continuance of a Triggering Event, upon request by the Collateral Agent, shall be sent by wire transfer or Automated Clearing House, Inc. payment to the Payment Office to be credited to the Administrative Agent's Account for application at the end of each Business Day when such funds are received in Administrative Agent's Account to reduce the then principal balance of the Revolving Loans, conditional upon final payment to the Administrative Agent, and (ii) at all other times, may be transferred to an operating account of such Loan Party subject to a Control Agreement. No checks, drafts or other instruments received by the Administrative Agent shall constitute final payment to the Administrative Agent unless and until such checks, drafts or instruments have actually been collected.

(b) So long as no Event of Default has occurred and is continuing, the Loan Parties may enforce, collect and receive all amounts owing on the Accounts Receivable. After the occurrence and during the continuance of an Event of Default, the Collateral Agent may send a notice of assignment and/or notice of the Collateral Agent's security interest to any and all Account Debtors or third parties holding or otherwise concerned with any of the Collateral and, thereafter, the Collateral Agent shall have the sole right to collect the Accounts Receivable and payment intangibles of the Loan Parties and/or may take possession of the Collateral and the books and records relating thereto. After the occurrence and during the continuation of an Event of Default, the Loan Parties shall not, without prior written consent of the Collateral Agent, grant any extension of time of payment of any Account Receivable or payment intangible, compromise or settle any Account Receivable or payment intangible for less than the full amount thereof, release, in whole or in part, any Person or property liable for the payment thereof, or allow any credit or discount whatsoever thereon.

(c) Each Loan Party hereby appoints each Agent or its designee on behalf of such Agent as such Loan Party's attorney-in-fact with power exercisable during the continuance of an Event of Default to (i) endorse such Loan Party's name upon any notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Accounts Receivable or payment intangibles of such Loan Party, (ii) sign such Loan Party's name on any invoice or bill of lading relating to any of the Accounts Receivable or payment intangibles of such Loan Party, drafts against Account Debtors with respect to Accounts Receivable or payment intangibles of such Loan Party, assignments and verifications of Accounts Receivable or payment intangibles and notices to Account Debtors with respect to Accounts Receivable or payment intangibles of such Loan Party, (iii) send verification of Accounts Receivable of such Loan Party, and (iv) notify the Postal Service authorities to change the address for delivery of mail addressed to such Loan Party to such address as such Agent may designate and to do all other acts and things necessary to carry out this Agreement. All acts of said attorney or designee are hereby ratified and approved, and said attorney or designee shall not be liable for any acts of omission or commission (other than acts of omission or commission constituting gross negligence, bad faith, or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction), or for any error of judgment or mistake of fact or law; this power being coupled with an interest is irrevocable until all of the Loans and other Obligations under the Loan Documents are paid in full and all of the Commitments are terminated.

(d) Nothing herein contained shall be construed to constitute any Agent as agent of any Loan Party for any purpose whatsoever, and the Agents shall not be responsible or liable for any shortage, discrepancy, damage, loss or destruction of any part of the Collateral wherever the same may be located and regardless of the cause thereof (other than from acts of omission or commission constituting gross negligence, bad faith or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction). The Agents shall not, under any circumstance or in any event whatsoever, have any liability for any error or omission or delay of any kind occurring in the settlement, collection or payment of any of the Accounts Receivable of any Loan Party or any instrument received in payment thereof or for any damage resulting therefrom (other than acts of omission or commission constituting gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction). The Agents, by anything herein or in any assignment or otherwise, do not assume any of the obligations under any contract or agreement assigned to any Agent and shall not be responsible in any way for the performance by any Loan Party of any of the terms and conditions thereof.

(e) If any Account Receivable of any Loan Party includes a charge for any tax payable to any Governmental Authority, each Agent is hereby authorized (but in no event obligated) in its discretion to pay the amount thereof to the proper taxing authority for such Loan Party's account and to charge the Borrower therefor. The Borrower shall notify the Agents if any Account Receivable of any Loan Party includes any taxes due to any such Governmental Authority and, in the absence of such notice, the Agents shall have the right during the continuance of an Event of Default to retain the full proceeds of such Account Receivable and shall not be liable for any taxes that may be due by reason of the sale and delivery creating such Account Receivable.

(f) Notwithstanding any other terms set forth in the Loan Documents, the rights and remedies of the Agents and the Lenders herein provided, and the obligations of the Loan Parties set forth herein, are cumulative of, may be exercised singly or concurrently with, and are not exclusive of, any other rights, remedies or obligations set forth in any other Loan Document or as provided by law.

Section 8.02 Status of Accounts Receivable and Other Collateral. With respect to Collateral of any Loan Party at the time the Collateral becomes subject to the Collateral Agent's Lien, each Loan Party covenants, represents and warrants: (a) other than with respect to Collateral consisting of leased or licensed assets and properties, such Loan Party shall be the sole owner, free and clear of all Liens (except for the Liens granted in the favor of the Collateral Agent for the benefit of the Agents and the Lenders and Permitted Liens), and shall be fully authorized to sell, transfer, pledge and/or grant a security interest in each and every item of said Collateral; (b) such Loan Party shall maintain books and records pertaining to said Collateral in such detail, form and scope as the Agents shall reasonably require; (c) such Loan Party will, immediately upon learning thereof, report to the Agents any material loss or destruction of, or substantial damage to, any of the Collateral, and any other matters affecting the value, enforceability or collectability of any of the Collateral; (d) if any amount payable under or in connection with any Account Receivable is evidenced by a promissory note or other instrument, such promissory note or instrument shall be immediately pledged, endorsed, assigned and delivered to the Collateral Agent for the benefit of the Agents and the Lenders as additional Collateral; and (e) such Loan Party is not and shall not be entitled to pledge any Agent's or any Lender's credit on any purchases or for any purpose whatsoever.

Section 8.03 Collateral Custodian. Upon the occurrence and during the continuance of any Event of Default, the Collateral Agent may at any time and from time to time employ and maintain on the premises of any Loan Party a custodian selected by the Collateral Agent who shall have full authority to do all acts necessary to protect the Agents' and the Lenders' interests. Upon the occurrence and during the continuance of any Event of Default, each Loan Party hereby agrees to, and to cause its Subsidiaries to, cooperate with any such custodian and to do whatever the Collateral Agent may reasonably request to preserve the Collateral. All costs and expenses incurred by the Collateral Agent by reason of the employment of the custodian shall be the responsibility of the Borrower and charged to the Loan Account.

ARTICLE IX

EVENTS OF DEFAULT

Section 9.01 Events of Default. If any of the following events shall occur and be continuing:

(a) the Borrower shall fail to pay any principal on any Loan or interest within 2 Business Days of the date when due, on any Loan, any Agent Advance or any fee, indemnity or other amount payable under this Agreement or any other Loan Document within 2 Business Days of the date when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise);

(b) any representation, warranty, or certification made or deemed made by or on behalf of any Loan Party or by any officer of the foregoing under or in connection with any Loan Document or under or in connection with any report, certificate, or other document delivered to any Agent or any Lender pursuant to any Loan Document shall have been incorrect in any material respect when made or deemed made;

(c) any Loan Party shall fail to perform or comply with any covenant or agreement contained in (i) clauses (b), (c), (d), (f), (h), (m), (n), (p), (r) or (s) of Section 7.01, Section 7.02, Section 7.03, or Article VIII, (ii) clause (q) of Section 7.01 which shall remain unremedied for 2 Business Days or (iii) clauses (e), (g), (i), (j), (k), (l), or (o) of Section 7.01 and (in circumstances described in this clause (iii)) such failure, if capable of being remedied, shall remain unremedied for 10 Business Days, after the earlier of the date a senior officer of any Loan Party shall have become aware of such failure or the date written notice of such default shall have been given by any Agent or Lender to such Loan Party;

(d) any Loan Party shall fail to perform or comply with any other term, covenant or agreement contained in any Loan Document to be performed or observed by it and, except as set forth in subsections (a), (b) and (c) of this Section 9.01, such failure, if capable of being remedied, shall remain unremedied for 20 days after the earlier of the date a senior officer of any Loan Party becomes aware of such failure and the date written notice of such default shall have been given by any Agent to such Loan Party;

(e) the Parent or its Subsidiaries shall fail to pay any principal of or interest or premium on any of its Indebtedness (excluding the Obligations) to the extent that the aggregate principal amount of all such Indebtedness exceeds \$500,000 when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness, or any other default under any agreement or instrument relating to any such Indebtedness, or any other event, shall occur and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such default or event is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness; or any such Indebtedness shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased or an offer to prepay, redeem, purchase or defease such Indebtedness shall be required to be made, in each case, prior to the stated maturity thereof;

(f) the Parent or any of its Subsidiaries (i) shall institute any proceeding or voluntary case seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, debt restructuring, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, interim receiver, receiver and manager, administrative receiver, trustee, custodian, liquidator, administrator, sequestrator, or other similar official for any such Person or for any substantial part of its property, (ii) shall be generally not paying its debts as such debts become due or shall admit in writing its inability to pay its debts generally, (iii) shall make a general assignment for the benefit of creditors, or (iv) shall take any action to authorize or effect any of the actions set forth above in this subsection (f);

(g) any proceeding shall be instituted against the Parent or any of its Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, debt restructuring, adjustment, protection, relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, interim receiver, receiver and manager, administrative receiver, trustee, custodian, liquidator, administrator, sequestrator or other similar official for any such Person or for any substantial part of its property, and either such proceeding shall remain undismissed or unstayed for a period of 30 days or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against any such Person or the appointment of a receiver, interim receiver, receiver and manager, administrative receiver, trustee, custodian, liquidator, administrator, sequestrator or other similar official for it or for any substantial part of its property) shall occur;

(h) any material provision of any Loan Document shall at any time for any reason (other than pursuant to the express terms thereof) cease to be valid and binding on or enforceable against any Loan Party intended to be a party thereto, or the validity or enforceability thereof shall be contested by any Loan Party party thereto, or a proceeding shall be commenced by any Loan Party or any Governmental Authority having jurisdiction over any of them, seeking to establish the invalidity or unenforceability thereof, or any Loan Party shall deny in writing that it has any liability or obligation purported to be created under any Loan Document;

(i) any Security Agreement, any Mortgage or any other security document, after delivery thereof pursuant hereto, shall for any reason fail or cease to create a valid and perfected and, except to the extent permitted by the terms hereof or thereof, first priority Lien in favor of the Collateral Agent for the benefit of the Agents and the Lenders on any Collateral purported to be covered thereby;

(j) one or more judgments, awards, or orders (or any settlement of any claim that, if breached, could result in a judgment, order, or award) for the payment of money exceeding \$500,000 in the aggregate (the "Maximum Judgment Amount") shall be rendered against the Parent or any of its Subsidiaries and remain unsatisfied, or the Parent or any of its Subsidiaries shall agree to the settlement of any one or more pending or threatened claims, actions, suits, or proceedings affecting any Loan Party before any court or other Governmental Authority or any arbitrator or mediator, providing for the payment of money exceeding \$500,000 in the aggregate, and in the case of any such judgment or order or settlement either (i) enforcement proceedings shall have been commenced by any creditor upon any such judgment, order, award or settlement, or (ii) there shall be a period of 20 consecutive days after entry thereof during which such judgment, order, award or settlement shall not have been satisfied or a stay of enforcement of any such judgment, order, award or settlement, by reason of a pending appeal or otherwise, shall not be in effect; provided, however, that any such judgment, order, award or settlement shall not give rise to an Event of Default under this subsection if and for so long as (A) the amount of such judgment, order, award or settlement in excess of the Maximum Judgment Amount is covered by a valid and binding policy of insurance between the applicable Person and the insurer covering full payment thereof (other than any deductible) or an amount sufficient to lower the exposure below the Maximum Judgment Amount, and (B) such insurer has been notified, and has not disputed the claim made for payment, of the amount of such judgment, order, award or settlement;

(k) the Parent or any of its Subsidiaries is enjoined, restrained or in any way prevented by the order of any court or any Governmental Authority from conducting all or any material part of the business of the Loan Parties, taken as a whole, for more than 15 days if such enjoinder or restraint could reasonably be expected to result in a Material Adverse Effect;

(l) any damage to, or loss, theft or destruction of, any material portion of the Collateral, whether or not insured, or any strike, lockout, labor dispute, embargo, condemnation, act of God or public enemy, or other casualty which causes, for more than 15 days, the cessation or substantial curtailment of revenue producing activities at any facility of any Loan Party, if any such event or circumstance could reasonably be expected to result in a Material Adverse Effect;

(m) any cessation of a substantial part of the business of a Loan Party if such cessation could reasonably be expected to result in a Material Adverse Effect;

(n) the loss, suspension or revocation of, or failure to renew, any license or permit now held or hereafter acquired by the Parent or any of its Subsidiaries, if such loss, suspension, revocation or failure to renew could reasonably be expected to result in a Material Adverse Effect;

(o) the indictment of the Parent or any of its Subsidiaries under any criminal statute, or commencement of criminal or civil proceedings against any Loan Party, pursuant to which statute or proceedings the penalties or remedies sought include forfeiture to any Governmental Authority of any material portion of the property of such Person;

(p) any Loan Party or any of its ERISA Affiliates shall have made a complete or partial withdrawal from a Multiemployer Plan, and, as a result of such complete or partial withdrawal, any Loan Party incurs a withdrawal liability in an annual amount exceeding \$1,000,000 or a Multiemployer Plan enters reorganization status under Section 4241 of ERISA, and, as a result thereof any Loan Party's annual contribution requirements with respect to such Multiemployer Plan increases in an annual amount exceeding \$1,000,000;

(q) any Termination Event with respect to any Employee Plan shall have occurred, and, 30 days after notice thereof shall have been given to any Loan Party by any Agent, (i) such Termination Event (if correctable) shall not have been corrected, (ii) the then current value of such Employee Plan's vested benefits exceeds the then current value of assets allocable to such benefits in such Employee Plan by more than \$1,000,000 and (iii) such Termination Event could reasonably be expected to result in a liability to any Loan Party in excess of \$1,000,000 (or, in the case of a Termination Event involving liability under Section 409, 502(i), 502(l), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or Section 4971 or 4975 of the IRC, could reasonably be expected to result in a Liability to any Loan Party in excess of \$1,000,000);

(r) the Parent or any of its Subsidiaries shall incur any Environmental Liabilities and Costs the payment of which could reasonably be expected to result in a Material Adverse Effect;

(s) an event or development occurs which could reasonably be expected to have a Material Adverse Effect; or

(t) a Change of Control shall have occurred;

then, and in any such event, the Collateral Agent may, and shall at the request of the Required Lenders, by notice to the Administrative Borrower, (i) terminate or reduce all Commitments, whereupon all Commitments shall immediately be so terminated or reduced, (ii) declare all or any portion of the Loans then outstanding to be due and payable, whereupon all or such portion of the aggregate principal of all Loans, all accrued and unpaid interest thereon, all fees and all other amounts payable under this Agreement and the other Loan Documents shall become due and payable immediately together with the payment of the Applicable Prepayment Premium (if any) with respect to the Commitments so terminated and the Loans so repaid, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by each Loan Party and (iii) exercise any and all of its other rights and remedies under applicable law, hereunder and under the other Loan Documents; provided, however, that upon the occurrence of any Event of Default described in subsection (f) or (g) of this Section 9.01, without any notice to any Loan Party or any other Person or any act by any Agent or any Lender, all Commitments shall automatically terminate and all Loans then outstanding, together with all accrued and unpaid interest thereon, all fees and all other amounts due under this Agreement and the other Loan Documents shall become due and payable automatically and immediately, without presentment, demand, protest or notice of any kind, all of which are expressly waived by each Loan Party.

ARTICLE X

AGENTS

Section 10.01 Appointment. Each Lender (and each subsequent maker of any Loan by its making thereof) hereby irrevocably appoints and authorizes the Administrative Agent and the Collateral Agent to perform the duties of each such Agent as set forth in this Agreement including: (i) to receive on behalf of each Lender any payment of principal or interest on the Loans outstanding hereunder and all other amounts accrued hereunder for the account of the Lenders and paid to such Agent, and, subject to Section 2.02 of this Agreement, to distribute promptly to each Lender its Pro Rata Share of all payments so received; (ii) to distribute to each Lender copies of all material notices and agreements received by such Agent and not required to be delivered to each Lender pursuant to the terms of this Agreement, provided that the Agents shall not have any liability to the Lenders for any Agent's inadvertent failure to distribute any such notices or agreements to the Lenders; (iii) to maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Obligations, the Loans, and related matters and to maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Collateral and related matters; (iv) to execute or file any and all financing or similar statements or notices, amendments, renewals, supplements, documents, instruments, proofs of claim, notices and other written agreements with respect to this Agreement or any other Loan Document; (v) to make the Loans and Agent Advances, for such Agent or on behalf of the applicable Lenders as provided in this Agreement or any other Loan Document; (vi) to perform, exercise, and enforce any and all other

rights and remedies of the Lenders with respect to the Loan Parties, the Obligations, or otherwise related to any of same to the extent reasonably incidental to the exercise by such Agent of the rights and remedies specifically authorized to be exercised by such Agent by the terms of this Agreement or any other Loan Document; (vii) to incur and pay such fees necessary or appropriate for the performance and fulfillment of its functions and powers pursuant to this Agreement or any other Loan Document; and (viii) subject to Section 10.03 of this Agreement, to take such action as such Agent deems appropriate on its behalf to administer the Loans and the Loan Documents and to exercise such other powers delegated to such Agent by the terms hereof or the other Loan Documents (including, without limitation, the power to give or to refuse to give notices, waivers, consents, approvals and instructions and the power to make or to refuse to make determinations and calculations) together with such powers as are reasonably incidental thereto to carry out the purposes hereof and thereof. As to any matters not expressly provided for by this Agreement and the other Loan Documents (including, without limitation, enforcement or collection of the Loans), the Agents shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Lenders, and such instructions of the Required Lenders shall be binding upon all Lenders and all makers of Loans; provided, however, the Agents shall not be required to take any action which, in the reasonable opinion of any Agent, exposes such Agent to liability or which is contrary to this Agreement or any other Loan Document or applicable law.

Section 10.02 Nature of Duties; Delegation. (a) The Agents shall have no duties or responsibilities except those expressly set forth in this Agreement or in the other Loan Documents. The duties of the Agents shall be mechanical and administrative in nature. The Agents shall not have by reason of this Agreement or any other Loan Document a fiduciary relationship in respect of any Lender. Nothing in this Agreement or any other Loan Document, express or implied, is intended to or shall be construed to impose upon the Agents any obligations in respect of this Agreement or any other Loan Document except as expressly set forth herein or therein. Each Lender shall make its own independent investigation of the financial condition and affairs of the Loan Parties in connection with the making and the continuance of the Loans hereunder and shall make its own appraisal of the creditworthiness of the Loan Parties and the value of the Collateral, and the Agents shall have no duty or responsibility, either initially or on a continuing basis, to provide any Lender with any credit or other information with respect thereto, whether coming into their possession before the initial Loan hereunder or at any time or times thereafter, provided that, upon the reasonable request of a Lender, each Agent shall provide to such Lender any documents or reports delivered to such Agent by the Loan Parties pursuant to the terms of this Agreement or any other Loan Document. If any Agent seeks the consent or approval of the Required Lenders to the taking or refraining from taking any action hereunder, such Agent shall send notice thereof to each Lender. Each Agent shall promptly notify each Lender any time that the Required Lenders have instructed such Agent to act or refrain from acting pursuant hereto.

(b) Each Agent may, upon any term or condition it specifies, delegate or exercise any of its rights, powers and remedies under, and delegate or perform any of its duties or any other action with respect to, any Loan Document by or through any trustee, co-agent, employee, attorney-in-fact and any other Person (including any Lender). Any such Person shall benefit from this Article X to the extent provided by the applicable Agent.

Section 10.03 Rights, Exculpation, Etc. The Agents and their directors, officers, agents or employees shall not be liable for any action taken or omitted to be taken by them under or in connection with this Agreement or the other Loan Documents, except for matters arising directly from their own gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction. Without limiting the generality of the foregoing, the Agents (i) may treat the payee of any Loan as the owner thereof until the Agents receive written notice of the assignment or transfer thereof, pursuant to Section 12.07, signed by such payee and in form satisfactory to the Agents; (ii) may consult with legal counsel (including, without limitation, counsel to any Agent or counsel to the Loan Parties), independent public accountants, and other experts selected by any of them and shall not be liable for any action taken or omitted to be taken in good faith by any of them in accordance with the advice of such counsel or experts; (iii) make no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, certificates, warranties or representations made in or in connection with this Agreement or the other Loan Documents; (iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or the other Loan Documents on the part of any Person, the existence or possible existence of any Default or Event of Default, or to inspect the Collateral or other property (including, without limitation, the books and records) of any Person; (v) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto; and (vi) shall not be deemed to have made any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Collateral Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Agents be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral. The provisions of this Section 10.03 are subject to, and shall not limit in any respect, the provisions of Section 12.07. The Agents shall not be liable for any apportionment or distribution of payments made in good faith pursuant to Section 4.04, and if any such apportionment or distribution is subsequently determined to have been made in error, and the sole recourse of any Lender to whom payment was due but not made, shall be to recover from other Lenders any payment in excess of the amount which they are determined to be entitled. The Agents 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 other Loan Documents the Agents are permitted or required to take or to grant, and if such instructions are promptly requested, the Agents shall be absolutely entitled to refrain from taking any action or to withhold any approval under any of the Loan Documents until they shall have received such instructions from the Required Lenders. Without limiting the foregoing, no Lender shall have any right of action whatsoever against any Agent as a result of such 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.

Section 10.04 Reliance. Each Agent shall be entitled to rely upon any written notices, statements, certificates, orders or other documents or any telephone message believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person, and with respect to all matters pertaining to this Agreement or any of the other Loan Documents and its duties hereunder or thereunder, upon advice of counsel selected by it.

Section 10.05 Indemnification. To the extent that any Agent is not reimbursed and indemnified by any Loan Party, and whether or not such Agent has made demand on any Loan Party for the same, the Lenders will, within five days of written demand by such Agent, reimburse and indemnify such Agent from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, advances or disbursements of any kind or nature whatsoever (including, without limitation, client charges, attorneys and other advisor fees and disbursements) which may be imposed on, incurred by, or asserted against such Agent in any way relating to or arising out of this Agreement or any of the other Loan Documents or any action taken or omitted by such Agent under this Agreement or any of the other Loan Documents, in proportion to each Lender's Pro Rata Share, including, without limitation, advances and disbursements made pursuant to Section 10.08; provided, however, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses, advances or disbursements for which there has been a final judicial determination that such liability resulted from such Agent's gross negligence or willful misconduct. The obligations of the Lenders under this Section 10.05 shall survive the payment in full of the Loans and the termination of this Agreement.

Section 10.06 Agents Individually. With respect to its Pro Rata Share of the Total Commitment hereunder and the Loans made by it, each Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender or maker of a Loan. The terms "Lenders" or "Required Lenders" or any similar terms shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity as a Lender or one of the Required Lenders. Each Agent and its Affiliates may accept deposits from, lend money to, and generally engage in any kind of banking, trust or other business with the Loan Parties as if it were not acting as an Agent pursuant hereto without any duty to account to the other Lenders.

Section 10.07 Successor Agent.

(a) Each Agent may resign from the performance of all its functions and duties hereunder and under the other Loan Documents at any time by giving at least 30 Business Days prior written notice to the Administrative Borrower and each Lender. Such resignation shall take effect upon the acceptance by a successor Agent of appointment pursuant to clauses (b) and (c) below or as otherwise provided below.

(b) Upon any such notice of resignation, the Required Lenders (with the consent of the Parent, which consent shall not be unreasonably withheld, delayed, or conditioned and which consent shall not be required if an Event of Default has occurred and is continuing) shall appoint a successor Agent. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under this Agreement and the other Loan Documents. After any Agent's resignation hereunder as an Agent, the provisions of this Article X shall inure to its benefit as to any actions taken or omitted to be taken by it while it was an Agent under this Agreement and the other Loan Documents.

(c) If a successor Agent shall not have been so appointed within said thirty (30) Business Day period, the retiring Agent, with the consent of the other Agent (and with the consent of the Parent, which consent shall not be unreasonably withheld, delayed, or conditioned and which consent shall not be required if an Event of Default has occurred and is continuing) shall then appoint a successor Agent who shall serve as an Agent until such time, if any, as a successor Agent is appointed as provided above.

Section 10.08 Collateral Matters.

(a) Each Agent may (but shall not be obligated) from time to time make such disbursements and advances ("Agent Advances") which such Agent, in its sole discretion, deems necessary or desirable to preserve, protect, prepare for sale or lease or dispose of the Collateral or any portion thereof, to enhance the likelihood or maximize the amount of repayment by the Borrower of the Loans and other Obligations or to pay any other amount chargeable to the Borrower pursuant to the terms of this Agreement, including, without limitation costs, fees and expenses as described in Section 12.04. The Agent Advances shall bear interest at the interest rate applicable to Reference Rate Loans, shall be repayable on demand and shall be secured by the Collateral. The Agent Advances shall constitute Obligations hereunder which may be charged to the Loan Account in accordance with Section 4.02. Each Agent making an Agent Advance shall notify each Lender and the Administrative Borrower in writing of each such Agent Advance, which notice shall include a description of the purpose of such Agent Advance. Without limitation to its obligations pursuant to Section 10.05, each Lender agrees that it shall make available to the Agent making an Agent Advance, upon such Agent's demand, in Dollars in immediately available funds, the amount equal to such Lender's Pro Rata Share of each such Agent Advance. If such funds are not made available to such Agent by such Lender, such Agent shall be entitled to recover such funds on demand from such Lender, together with interest thereon for each day from the date such payment was due until the date such amount is paid to such Agent, at the Federal Funds Rate for 3 Business Days and thereafter at the Reference Rate.

(b) The Lenders hereby irrevocably authorize the Collateral Agent, at its option and in its discretion, to release any Lien granted to or held by the Collateral Agent upon any Collateral upon termination of the Total Commitment and payment in full in cash of all Obligations (other than unasserted contingent indemnification Obligations); or constituting property being sold or disposed of in compliance with the terms of this Agreement and the other Loan Documents; or constituting property in which the Loan Parties owned no interest at the time the Lien was granted or at any time thereafter; or if approved, authorized or ratified in writing by the Lenders. Upon request by the Collateral Agent at any time, the Lenders will confirm in writing the Collateral Agent's authority to release particular types or items of Collateral pursuant to this Section 10.08(b).

(c) Without in any manner limiting the Collateral Agent's authority to act without any specific or further authorization or consent by the Lenders (as set forth in Section 10.08(b)), each Lender agrees to confirm in writing, upon request by the Collateral Agent, the authority to release Collateral conferred upon the Collateral Agent under Section 10.08(b). Either without such confirmation (if the Collateral Agent has not requested such confirmation) or upon receipt by the Collateral Agent of such confirmation (if the Collateral

Agent has requested such confirmation), and upon prior written request by any Loan Party, the Collateral Agent shall (and is hereby irrevocably authorized by the Lenders to) execute such documents as may be necessary to evidence the release of the Liens granted to the Collateral Agent to the extent permitted by Section 10.08; provided, however, that (i) the Collateral Agent shall not be required to execute any such document on terms which, in the Collateral Agent's opinion, would expose the Collateral Agent to liability or create any obligations or entail any consequence other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the Obligations or any Lien upon (or obligations of any Loan Party in respect of) all interests in the Collateral retained by any Loan Party.

(d) The Collateral Agent shall have no obligation whatsoever to any Lender to assure that the Collateral exists or is owned by the Loan Parties or is cared for, protected or insured or has been encumbered or that the Lien granted to the Collateral Agent pursuant to this Agreement or any other Loan Document has been properly or sufficiently or lawfully created, perfected, protected or enforced or is entitled to any particular priority, or to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of the rights, authorities and powers granted or available to the Collateral Agent in this Section 10.08 or in any other Loan Document, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, the Collateral Agent may act in any manner it may deem appropriate, in its sole discretion, given the Collateral Agent's own interest in the Collateral as one of the Lenders and that the Collateral Agent shall have no duty or liability whatsoever to any other Lender, except as otherwise provided herein.

Section 10.09 Agency for Perfection. Each Agent and each Lender hereby appoints each other Agent and each other Lender as agent and bailee for the purpose of perfecting the security interests in and liens upon the Collateral in assets which, in accordance with Article 9 of the Uniform Commercial Code, the PPSA or the Securities Transfer Act 2006 (Ontario) can be perfected only by possession or control (or where the security interest of a secured party with possession or control has priority over the security interest of another secured party) and each Agent and each Lender hereby acknowledges that it holds possession or control of any such Collateral for the benefit of the Collateral Agent as secured party. Should the Administrative Agent or any Lender obtain possession or control of any such Collateral, the Administrative Agent or such Lender shall notify the Collateral Agent thereof, and, promptly upon the Collateral Agent's request therefor shall deliver possession or control of such Collateral to the Collateral Agent or in accordance with the Collateral Agent's instructions. In addition, the Collateral Agent shall also have the power and authority hereunder to appoint such other sub-agents as may be necessary or required under applicable state, provincial or federal law or otherwise to perform its duties and enforce its rights with respect to the Collateral and under the Loan Documents. Each Loan Party by its execution and delivery of this Agreement hereby consents to the foregoing.

Section 10.10 Replacement of Lender.

(a) If (i) any action to be taken by the Agents or Lenders hereunder requires the unanimous consent, authorization, or agreement of all Lenders, and a Lender (other

than Cerberus) ("Holdout Lender") fails to give its consent, authorization or agreement, then the Collateral Agent, upon at least 5 Business Days prior irrevocable notice to the Holdout Lender, (ii) any Lender (an "Increased Cost Lender") shall give notice to the Administrative Borrower that such Lender is an affected Lender or that such Lender is entitled to receive payments under either Section 2.08 or Section 4.05, or (iii) any Lender becomes a Defaulting Lender, the Administrative Borrower may permanently replace such Holdout Lender, Increased Cost Lender or Defaulting Lender with one or more substitute Lenders (each, a "Replacement Lender"), and such Holdout Lender, Increased Cost Lender or Defaulting Lender shall have no right to refuse to be replaced hereunder. Such notice to replace the Holdout Lender, Increased Cost Lender or Defaulting Lender shall specify an effective date for such replacement, which date shall not be later than 10 Business Days after the date such notice is given. Notwithstanding anything to the contrary set forth in this Agreement, Aterian and its Affiliates shall not be permitted to become Replacement Lenders under this Agreement.

(b) Prior to the effective date of such replacement, the Holdout Lender, Increased Cost Lender or Defaulting Lender and each Replacement Lender shall execute and deliver an Assignment and Acceptance, subject only to the Holdout Lender, Increased Cost Lender or Defaulting Lender being repaid its share of the outstanding Obligations. If the Holdout Lender, Increased Cost Lender or Defaulting Lender shall refuse or fail to execute and deliver any such Assignment and Acceptance prior to the effective date of such replacement, the Holdout Lender, Increased Cost Lender or Defaulting Lender shall be deemed to have executed and delivered such Assignment and Acceptance. The replacement of any Holdout Lender, Increased Cost Lender or Defaulting Lender shall be made in accordance with the terms of Section 12.07. Until such time as the Replacement Lenders shall have acquired all of the Obligations, the Commitments, and the other rights and obligations of the Holdout Lender, Increased Cost Lender or Defaulting Lender hereunder and under the other Loan Documents, the Holdout Lender, Increased Cost Lender or Defaulting Lender shall remain obligated to make the Holdout Lender's, Increased Cost Lender's or Defaulting Lender's Pro Rata Share of Revolving Loans.

Section 10.11 Replacement of Lender. No Reliance on any Agent's Customer Identification Program. Each Lender acknowledges and agrees that neither such Lender, nor any of its Affiliates, participants or assignees, may rely on any Agent to carry out such Lender's, Affiliate's, participant's or assignee's customer identification program, or other obligations required or imposed under or pursuant to the USA PATRIOT Act or the regulations thereunder, including the regulations contained in 31 CFR 103.121 (as hereafter amended or replaced, the "CIP Regulations"), or any other Anti-Terrorism Law, including any programs involving any of the following items relating to or in connection with any of the Loan Parties, their Affiliates or their agents, the Loan Documents or the transactions hereunder or contemplated hereby: (1) any identity verification procedures, (2) any recordkeeping, (3) comparisons with government lists, (4) customer notices or (5) other procedures required under the CIP Regulations or such other laws. Each Lender, Affiliate, participant or assignee subject to Section 326 of the USA PATRIOT Act will perform the measures necessary to satisfy its own responsibilities under the CIP Regulations.

Section 10.12 Anti-Money Laundering.

(a) Each Canadian Loan Party acknowledges that, pursuant to the *Proceeds of Crime (Money Laundering) Terrorist Financing Act* (Canada), the *Criminal Code* (Canada) and the *United Nations Act*, including, without limitation, the Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism (Canada) and the United Nations Al-Qaida and Taliban Regulations (Canada) promulgated under the *United Nations Act*, and other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" Laws, whether within Canada or elsewhere (collectively, including any rules, regulations, directives and guidelines or orders thereunder, "AML Legislation"), the Lenders and the Agents may be required to obtain, verify and record information regarding each Canadian Loan Party, its directors, authorized signing officers, direct or indirect shareholders or other Persons in control of each Canadian Loan Party, and the transactions contemplated hereby. Each Canadian Loan Party shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or any Agent, or any prospective assign or participant of a Lender or an Agent, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

(b) If any Agent has ascertained the identity of each Canadian Loan Party or any authorized signatories of each Canadian Loan Party for the purposes of applicable AML Legislation, then such Agent:

(i) shall be deemed to have done so as an agent for each Lender, and this Agreement shall constitute a "written agreement" in such regard between each Lender and such Agent within the meaning of applicable AML Legislation; and

(ii) shall provide to each Lender copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.

Notwithstanding the preceding sentence and except as may otherwise be agreed in writing, each of the Lenders agrees that the Agents have no obligation to ascertain the identity of each Canadian Loan Party or any authorized signatories of each Canadian Loan Party on behalf of any Lender, or to confirm the completeness or accuracy of any information it obtains from each Canadian Loan Party or any such authorized signatory in doing so.

ARTICLE XI

GUARANTY

Section 11.01 Guaranty. Each Guarantor hereby jointly and severally and unconditionally and irrevocably guarantees the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all Obligations of the Borrowers now or hereafter existing under any Loan Document, whether for principal, interest (including, without limitation, all interest that accrues after the commencement of any Insolvency Proceeding irrespective of whether a claim therefor is allowed in such case or proceeding), fees, commissions, expenses, reimbursements, indemnifications or otherwise (such obligations, to the extent not paid by the

Borrower, being the "Guaranteed Obligations"), and agrees to pay any and all expenses (including reasonable counsel fees and expenses) incurred by the Agents and the Lenders (or any of them) in enforcing any rights under the guaranty set forth in this Article. Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by the Borrowers to the Agents and the Lenders under any Loan Document but for the fact that they are unenforceable or not allowable for any reason whatsoever, including due to the existence of a bankruptcy, reorganization or similar proceeding involving any Loan Party.

Section 11.02 Guaranty Absolute. Each Guarantor jointly and severally guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Agents or the Lenders with respect thereto. Each Guarantor agrees that this Article constitutes a guaranty of payment when due and not of collection and waives any right to require that any resort be made by any Agent or any Lender to any Collateral. The obligations of each Guarantor under this Article are independent of the Guaranteed Obligations, and a separate action or actions may be brought and prosecuted against each Guarantor to enforce such obligations, irrespective of whether any action is brought against any Loan Party or whether any Loan Party is joined in any such action or actions. The liability of each Guarantor under this Article shall be irrevocable, absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives any defenses it may now or hereafter have in any way relating to, any or all of the following:

- (a) any lack of validity or enforceability of any Loan Document or any agreement or instrument relating thereto;
- (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from any Loan Document, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to any Loan Party or otherwise;
- (c) any taking, exchange, release or non-perfection of any Collateral, or any taking, release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;
- (d) the existence of any claim, set-off, defense or other right that any Guarantor may have at any time against any Person, including, without limitation, any Agent, or any Lender;
- (e) any change, restructuring or termination of the corporate, limited liability company or partnership structure or existence of any Loan Party; or
- (f) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by the Agents or the Lenders that might otherwise constitute a defense available to, or a discharge of, any Loan Party or any other guarantor or surety.

This Article shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by the Agents, the Lenders or any other Person upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made.

Section 11.03 Waiver. Each Guarantor hereby waives (i) promptness and diligence, (ii) notice of acceptance and any other notice with respect to any of the Guaranteed Obligations and this Article and any requirement that the Agents or the Lenders exhaust any right or take any action against any Loan Party or any other Person or any Collateral, (iii) any right to compel or direct any Agent or any Lender to seek payment or recovery of any amounts owed under this Article from any one particular fund or source or to exhaust any right or take any action against any other Loan Party, any other Person or any Collateral, (iv) any requirement that any Agent or any Lender protect, secure, perfect or insure any security interest or Lien on any property subject thereto or exhaust any right to take any action against any Loan Party, any other Person or any Collateral, and (v) any other defense available to any Guarantor. Each Guarantor agrees that the Agents and the Lenders shall have no obligation to marshal any assets in favor of any Guarantor or against, or in payment of, any or all of the Obligations. Each Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated herein and that the waiver set forth in this Section 11.03 is knowingly made in contemplation of such benefits. Each Guarantor hereby waives any right to revoke this Article, and acknowledges that this Article is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

Section 11.04 Continuing Guaranty; Assignments. This Article is a continuing guaranty and shall (a) remain in full force and effect until the later of (i) the cash payment in full of the Guaranteed Obligations (other than indemnification obligations as to which no claim has been made) and all other amounts payable under this Article and (ii) the Final Maturity Date, (b) be binding upon each Guarantor, its successors and assigns and (c) inure to the benefit of and be enforceable by the Agents and the Lenders and their successors, pledgees, transferees and assigns. Without limiting the generality of the foregoing clause (c), any Lender may pledge, assign or otherwise transfer all or any portion of its rights and obligations under this Agreement (including all or any portion of its Commitments or its Loans) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted such Lender herein or otherwise, in each case as provided in Section 12.07.

Section 11.05 Subrogation. Unless and until all of the Guaranteed Obligations and all other amounts payable under this Article shall have been paid in full in cash and all of the Commitments have been terminated (a) each Guarantor hereby subordinates any rights that it may now or hereafter acquire against any Loan Party or any other guarantor that arise from the existence, payment, performance or enforcement of such Guarantor's obligations under this Article, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Agents and the Lenders against any Loan Party or any other guarantor or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including without limitation, the right to take or receive from any Loan Party or any other guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security solely on account of such claim, remedy or right, and (b) each Guarantor hereby agrees

that it shall not exercise any right or remedy, direct or indirect, arising by reason of any performance such Guarantor has or may have as against any Loan Party with respect to the Guaranteed Obligations. If any amount shall be paid to any Guarantor in violation of the immediately preceding sentence, such amount shall be held in trust for the benefit of the Agents and the Lenders and shall forthwith be paid to the Agents and the Lenders to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Article, whether matured or unmatured, in accordance with the terms of this Agreement, or to be held as Collateral for any Guaranteed Obligations or other amounts payable under this Article thereafter arising. If (i) any Guarantor shall make payment to the Agents and the Lenders of all or any part of the Guaranteed Obligations, (ii) all of the Guaranteed Obligations and all other amounts payable under this Article shall be paid in full in cash and (iii) all Commitments have been terminated, the Agents and the Lenders will, at such Guarantor's request and expense, execute and deliver to such Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to such Guarantor of an interest in the Guaranteed Obligations resulting from such payment by such Guarantor. Notwithstanding anything to the contrary contained in this Section 11.05, no Guarantor shall exercise any rights of subrogation, contribution, indemnity, reimbursement or other similar rights against, and shall not proceed or seek recourse against or with respect to any property or asset of, any Loan Party (including after payment in full of the Guaranteed Obligations and any other amounts payable under this Article or after termination of the Commitments) if all or any portion of the Obligations shall have been satisfied in connection with an exercise of remedies in respect of the Equity Interests of such Loan Party whether pursuant to the Security Agreement or otherwise.

ARTICLE XII

MISCELLANEOUS

Section 12.01 Notices, Etc. All notices and other communications provided for hereunder shall be in writing and shall be mailed (certified mail, postage prepaid and return receipt requested), telecopied or delivered by hand, Federal Express or other reputable overnight courier, if to any Loan Party, at the following address:

BWT LLC
 201 Brookfield Parkway, Suite 102
 Greenville, SC 29607
 Attention: Keith Beasley
 Telephone: 864-990-0698
 Telecopier: 864-990-0056

with copies to:

ATERIAN INVESTMENT PARTNERS
 1700 Broadway, 38th Floor
 New York, NY 10019
 Attention: Brandon Bethea / Michael Fieldstone

Telephone: 212-547-2824 / 212-547-2806
 Telecopier: 212-547-2868

HUNTON & WILLIAMS LLP

Riverfront Plaza, East Tower
 951 East Byrd Street,
 Richmond, VA 23219
 Attention: Kimberly C. MacLeod
 Telephone: 804-788-8529
 Telecopier: 804-343-4668

if to the Collateral Agent or the Administrative Agent, to it at the following address:

CERBERUS BUSINESS FINANCE, LLC

875 Third Avenue
 New York, New York 10022
 Attention: Daniel Wolf
 Telephone: 212.891.2121
 Telecopier: 212.891.1541

with a copy to:

SCHULTE ROTH & ZABEL LLP

919 Third Avenue
 New York, New York 10022
 Attention: Eliot Relles
 Telephone: 212.756.2000
 Telecopier: 212.593.5955

or, as to each party, at such other address as shall be designated by such party in a written notice to the other parties complying as to delivery with the terms of this Section 12.01. All such notices and other communications shall be effective, (i) if mailed (certified mail, postage prepaid and return receipt requested), when received or 3 days after deposited in the mails, whichever occurs first, (ii) if telecopied, when transmitted and confirmation received, or (iii) if delivered by hand, Federal Express or other reputable overnight courier, upon delivery, except that notices to any Agent pursuant to Article II shall not be effective until received by such Agent, as the case may be.

Section 12.02 Amendments, Etc.

(a) Neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, waived, or modified except in accordance with the provisions of this Section 12.02. Subject to the additional requirements of Sections 12.02(b), the Required Lenders and each Loan Party party to the relevant Loan Document may (or, with the consent of the Required Lenders, the Collateral Agent and each Loan Party party to the relevant Loan Document), from time to time, (i) enter into written amendments, waivers, or modifications

hereto or to the other Loan Documents, or written consents to any departure herefrom or therefrom, or (ii) enter into written waivers, on such terms and conditions as the Required Lenders (or, with the consent of the Required Lenders, the Collateral Agent) may specify in such waivers, of any of the terms or provisions of this Agreement or the other Loan Documents or of any Default or Event of Default and its consequences.

(b) No amendment, waiver, modification, or consent shall:

(i) extend the expiration date of any Commitment of any Lender, forgive the principal amount or extend the final scheduled date of maturity of any Loan, extend the scheduled date of any amortization payment in respect of any Loan, reduce the stated rate of interest on any Loan or any fee payable hereunder (except (x) in connection with the waiver of applicability of the Post-Default Rate (which waiver shall be effective with the written consent of the Required Lenders), and (y) that any amendment or modification of defined terms used in the financial covenants in this Agreement shall not constitute a reduction in the stated rate of interest or a reduction of fees for purposes of this clause (i)) or extend the scheduled date of payment thereof, in each case without the written consent of each Lender directly affected thereby,

(ii) increase the Total Commitment without the written consent of each Lender directly affected thereby,

(iii) eliminate or change the voting rights of any Lender under this Section 12.02 without the written consent of such Lender,

(iv) reduce the percentage specified in the definition of "Required Lenders" or amend the definition of "Pro Rata Share", without the written consent of each Lender,

(v) release the Borrower or consent to the assignment or transfer by the Borrower of any of its rights or duties under this Agreement or the other Loan Documents, release all or substantially all of the Collateral, release all or substantially all of the Guarantors from their obligations under the Loan Documents (except as permitted hereunder), or subordinate any Lien granted in to the Collateral Agent (other than in respect of Permitted Liens), in each case without the written consent of each Lender,

(vi) amend, modify or waive Section 4.04 without the written consent of each Lender directly affected thereby or this Section 12.02 without the written consent of each Lender,

(vii) amend or modify the definition of "Borrowing Base" (or the defined terms used therein if the effect would be to increase the amount of credit available hereunder) without the written consent of each Revolving Loan Lender whose Pro Rata Shares (calculated under clause (a) of the definition thereof) aggregate more than 50%,

(viii) amend, modify, or waive any provision of Section 10 pertaining to the Collateral Agent, or any other rights or duties of the Collateral Agent under this Agreement or the other Loan Documents, without the written consent of the Collateral Agent, or

amend, modify, or waive any provision of Section 10 pertaining to the Administrative Agent or any other rights or duties of the Administrative Agent under this Agreement or the other Loan Documents, without the written consent of the Administrative Agent.

(c) Without the prior written consent of Bluewater or the current holder of the Subordinated Seller Note, which consent may be granted or withheld in its sole discretion, Section 12.07(b)(iii), the last sentence of Section 10.01(a), or the last sentence of Section 12.07(b), shall not be amended or modified.

Section 12.03 No Waiver; Remedies, Etc. No failure on the part of any Agent or any Lender to exercise, and no delay in exercising, any right hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right under any Loan Document preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies of the Agents and the Lenders provided herein and in the other Loan Documents are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law. The rights of the Agents and the Lenders under any Loan Document against any party thereto are not conditional or contingent on any attempt by the Agents and the Lenders to exercise any of their rights under any other Loan Document against such party or against any other Person.

Section 12.04 Expenses; Attorneys Fees. The Borrower will pay on demand, all costs and expenses incurred by or on behalf of each Agent (and, in the case of clauses (c) through (n) below (except, in the case of clause (n), with respect to clauses (a) and (b)), each Lender, regardless of whether the transactions contemplated hereby are consummated, including, without limitation, reasonable fees, costs, client charges and expenses of counsel for each Agent (and, in the case of clauses (c) through (n) below (except, in the case of clause (n), with respect to clauses (a) and (b)), each Lender), accounting, due diligence, periodic field audits, physical counts, valuations, investigations, searches and filings, monitoring of assets, appraisals of Collateral, the rating of the Loans, title searches and reviewing environmental assessments, miscellaneous disbursements, examination, travel, lodging and meals, arising from or relating to: (a) the negotiation, preparation, execution, delivery, performance and administration of this Agreement and the other Loan Documents (including, without limitation, the preparation of any additional Loan Documents pursuant to Section 7.01(b) or the review of any of the agreements, instruments and documents referred to in Section 7.01(f)), (b) any syndication of the Loans or the Commitments, (c) any requested amendments, waivers or consents to this Agreement or the other Loan Documents whether or not such documents become effective or are given, (d) the preservation and protection of any of the Agents' or any of the Lenders' rights under this Agreement or the other Loan Documents, (e) the defense of any claim or action asserted or brought against any Agent or any Lender by any Person that arises from or relates to this Agreement, any other Loan Document, the Agents' or the Lenders' claims against any Loan Party, or any and all matters in connection therewith, (f) the commencement or defense of, or intervention in, any court proceeding arising from or related to this Agreement or any other Loan Document, (g) the filing of any petition, complaint, answer, motion or other pleading by any Agent or any Lender, or the taking of any action in respect of the Collateral or other security, in connection with this Agreement or any other Loan Document, (h) the protection, collection, lease, sale, taking possession of or liquidation of, any Collateral or other security in connection with this Agreement or any other Loan Document, (i) any attempt to enforce any Lien or security

interest in any Collateral or other security in connection with this Agreement or any other Loan Document, (j) any attempt to collect from any Loan Party, (k) all liabilities and costs of any Agent or Lender arising from or in connection with the past, present or future operations of any Loan Party involving any damage to real or personal property or natural resources alleged to have resulted from any Release of Hazardous Materials or any harm or injury alleged to have resulted from any Release of Hazardous Materials on, upon or into such property, (l) any Environmental Liabilities and Costs of any Agent or Lender incurred in connection with the investigation, removal, cleanup and/or remediation of any Hazardous Materials present at or arising out of the operations of any facility owned or operated by any Loan Party, or (m) any Environmental Liabilities and Costs of any Agent or Lender incurred in connection with any Environmental Lien upon any property owned or operated by any Loan Party, or (n) the receipt by any Agent or any Lender of any advice from professionals with respect to any of the foregoing. Without limitation of the foregoing or any other provision of any Loan Document: (x) the Parent agrees to pay all broker fees that may become due in connection with the transactions contemplated by this Agreement and the other Loan Documents, and (y) if the Borrower fails to perform any covenant or agreement contained herein or in any other Loan Document, any Agent may itself perform or cause performance of such covenant or agreement, and the expenses of such Agent incurred in connection therewith shall be reimbursed on demand by the Borrower.

Section 12.05 Right of Set-off.

(a) Each of the Lenders agrees that it shall not, without the express written consent of the Collateral Agent, and that it shall, to the extent it is lawfully entitled to do so and so long as an Event of Default exists, upon the written request of the Collateral Agent, set off against the Obligations, any amounts owing by such Lender to the Borrower or any deposit accounts of the Borrower now or hereafter maintained with such Lender. Each of the Lenders further agrees that it shall not, unless specifically requested to do so in writing by the Collateral Agent, take or cause to be taken any action, including, the commencement of any legal or equitable proceedings to enforce any Loan Document against any Loan Party or to foreclose any Lien on, or otherwise enforce any security interest in, any of the Collateral.

(b) If, at any time or times any Lender shall receive (i) by payment, foreclosure, setoff, or otherwise, any proceeds of Collateral or any payments with respect to the Obligations, except for any such proceeds or payments received by such Lender from the Administrative Agent pursuant to the terms of this Agreement or any amendment, consent or waiver hereto, or (ii) payments from the Administrative Agent in excess of such Lender's ratable portion of all such distributions by the Administrative Agent, such Lender promptly shall turn the same over to the Administrative Agent, in kind, and with such endorsements as may be required to negotiate the same to the Administrative Agent, or in immediately available funds, as applicable, for the account of all of the Lenders and for application to the Obligations in accordance with the applicable provisions of this Agreement, or (2) purchase, without recourse or warranty, an undivided interest and participation in the Obligations owed to the other Lenders so that such excess payment received shall be applied ratably as among the Lenders in accordance with their Pro Rata Shares; provided, however, that to the extent that such excess payment received by the purchasing party is thereafter recovered from it, those purchases of participations shall be rescinded in whole or in part, as applicable, and the applicable portion of

the purchase price paid therefor shall be returned to such purchasing party, but without interest except to the extent that such purchasing party is required to pay interest in connection with the recovery of the excess payment.

Section 12.06 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 portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 12.07 Assignments and Participations.

(a) This Agreement and the other Loan Documents shall be binding upon and inure to the benefit of each Loan Party and each Agent and each Lender and their respective successors and permitted assigns; provided, however, that none of the Loan Parties may assign or transfer any of its rights hereunder or under the other Loan Documents without the prior written consent of each Lender and any such assignment without the Lenders' prior written consent shall be null and void.

(b) Each Lender may, with the written consent of the Collateral Agent, assign to one or more other lenders or other entities all or a portion of its rights and obligations under this Agreement; provided, however, that (i) such assignment is in an amount which is at least \$1,000,000 or a multiple of \$1,000,000 in excess thereof (or the remainder of such Lender's Commitment) (except such minimum amount shall not apply to an assignment by a Lender to (x) a Lender, an Affiliate of such Lender or a Related Fund of such Lender or (y) a group of new Lenders, each of whom is an Affiliate or Related Fund of each other to the extent the aggregate amount to be assigned to all such new Lenders is at least \$1,000,000 or a multiple of \$1,000,000 in excess thereof), (ii) the parties to each such assignment shall execute and deliver to the Collateral Agent, for its acceptance, an Assignment and Acceptance, together with any promissory note subject to such assignment and such parties shall deliver to the Collateral Agent, for the benefit of the Collateral Agent, a processing and recordation fee of \$5,000 (except the payment of such fee shall not be required (x) in connection with an assignment by a Lender to a Lender, an Affiliate of such Lender or to a Related Fund of such Lender or (y) if the Collateral Agent, in its sole discretion, waives payment of such fee), (iii) no such assignments shall be permitted to Aterian or any of its Affiliates, (iv) no written consent of the Collateral Agent shall be required (1) in connection with any assignment by a Lender (other than Aterian) to a Lender (other than Aterian), an Affiliate of such Lender or a Related Fund of such Lender or any of its Affiliates or (2) if such assignment is in connection with any merger, consolidation, amalgamation, sale, transfer, or other disposition of all or any substantial portion of the business or loan portfolio of such Lender (other than Aterian or any of its Affiliates)) and (v) such assignment shall be recorded in the Register (as defined below). Upon such execution, delivery and acceptance, from and after the effective date specified in each Assignment and Acceptance and recordation on the Register, which effective date shall be at least 3 Business Days after the delivery thereof to the Collateral Agent (or such shorter period as shall be agreed to by the Collateral Agent and the parties to such assignment), (A) the assignee thereunder shall become a "Lender" hereunder and, in addition to the rights and obligations hereunder held by it immediately prior to such effective date, have the rights and obligations hereunder that have been assigned to it pursuant to such Assignment and Acceptance and (B) the assigning Lender

thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto). Notwithstanding anything to the contrary set forth in this Agreement, Aterian and its Affiliates shall not be permitted to become a Lender under this Agreement.

(c) By executing and delivering an Assignment and Acceptance, the assigning Lender and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, the assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or any other Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other Loan Document furnished pursuant hereto; (ii) the assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or any of its Subsidiaries or the performance or observance by any Loan Party of any of its obligations under this Agreement or any other Loan Document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement and the other Loan Documents, together with such other documents and information it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the assigning Lender, any Agent or any Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement and the other Loan Documents; (v) such assignee appoints and authorizes the Agents to take such action as agents on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to the Agents by the terms hereof and thereof, together with such powers as are reasonably incidental hereto and thereto; and (vi) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement and the other Loan Documents are required to be performed by it as a Lender.

(d) The Administrative Agent shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain, or cause to be maintained, at the Payment Office, a copy of each Assignment and Acceptance delivered to and accepted by it and a register (the "Register") for the recordation of the names and addresses of the Lenders and the Commitments of, and the principal amount of the Loans (and stated interest thereon) (each, a "Registered Loan") owing to each Lender from time to time. The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Agents and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender at any reasonable time and from time to time upon reasonable prior notice. This Section 12.07 is intended to qualify the Loans as obligations in "registered form" for purposes of the IRC, including Treasury Regulation 1.871-14(c) promulgated thereunder and shall be interpreted consistently therewith.

(e) Upon receipt by the Administrative Agent of a completed Assignment and Acceptance, and subject to any consent required from the Administrative Agent or the Collateral Agent pursuant to Section 12.07(b) (which consent of the Collateral Agent must be evidenced by the Collateral Agent's execution of an acceptance to such Assignment and Acceptance), the Administrative Agent shall accept such assignment, record the information contained therein in the Register (as adjusted to reflect any principal payments on or amounts capitalized and added to the principal balance of the Loans and/or Commitment reductions made subsequent to the effective date of the applicable assignment, as confirmed in writing by the corresponding assignor and assignee in conjunction with delivery of the assignment to the Administrative Agent) and provide to the Collateral Agent a copy of the fully executed Assignment and Acceptance.

(f) A Registered Loan (and the registered note, if any, evidencing the same) may be assigned or sold in whole or in part only by registration of such assignment or sale on the Register (and each registered note shall expressly so provide). Any assignment or sale of all or part of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by registration of such assignment or sale on the Register, together with the surrender of the registered note, if any, evidencing the same duly endorsed by (or accompanied by a written instrument of assignment or sale duly executed by) the holder of such registered note, whereupon, at the request of the designated assignee(s) or transferee(s), one or more new registered notes in the same aggregate principal amount shall be issued to the designated assignee(s) or transferee(s). Prior to the registration of assignment or sale of any Registered Loan (and the registered note, if any, evidencing the same), the Agents shall treat the Person in whose name such Registered Loan (and the registered note, if any, evidencing the same) is registered on the Register as the owner thereof for the purpose of receiving all payments thereon, notwithstanding notice to the contrary.

(g) In the event that any Lender sells participations in a Registered Loan, such Lender shall, acting for this purpose as a non-fiduciary agent on behalf of the Borrower, maintain, or cause to be maintained, in the United States a register on which it enters the name of all participants in the Registered Loans held by it and the principal amount (and stated interest thereon) of the portion of the Registered Loan that is the subject of the participation (the "Participant Register"). A Registered Loan (and the registered note, if any, evidencing the same) may be participated in whole or in part only by registration of such participation on the Participant Register (and each registered note shall expressly so provide). Any participation of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by the registration of such participation on the Participant Register. Any such Participant Register shall be available for inspection by the Borrower, any Agent and any Lender at any reasonable time and from time to time upon reasonable prior notice.

(h) Any Lender who purchases or is assigned, or participates in, any portion of such Registered Loan shall comply with Section 2.08(d).

(i) Each Lender may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including, without limitation, all or a portion of its Commitments, the Loans made by it); provided, that (i) such Lender's obligations under this Agreement (including,

without limitation, its Commitments hereunder) and the other Loan Documents shall remain unchanged; (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and the other Loan Documents; and (iii) a participant shall not be entitled to require such Lender to take or omit to take any action hereunder except (A) action directly effecting an extension of the maturity dates or decrease in the principal amount of the Loans, (B) action directly effecting an extension of the due dates or a decrease in the rate of interest payable on the Loans or the fees payable under this Agreement, or (C) actions directly effecting a release of all or a substantial portion of the Collateral or any Loan Party (except as set forth in Section 10.08 of this Agreement or any other Loan Document). The Loan Parties agree that each participant shall be entitled to the benefits of Section 2.08 and Section 4.05 of this Agreement with respect to its participation in any portion of the Commitments and the Loans as if it was a Lender.

Section 12.08 Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or electronic mail also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other Loan Document mutatis mutandis.

Section 12.09 GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK.

Section 12.10 CONSENT TO JURISDICTION; SERVICE OF PROCESS AND VENUE. EACH OF THE PARTIES HERETO AGREES THAT ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK IN THE COUNTY OF NEW YORK OR OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH LOAN PARTY HEREBY IRREVOCABLY ACCEPTS IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS; PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT THE COLLATERAL AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE THE COLLATERAL AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH LOAN PARTY HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF ANY

AND ALL LEGAL PROCESS, SUMMONS, NOTICES, AND DOCUMENTS IN ANY SUIT, ACTION, OR PROCEEDING BROUGHT IN THE UNITED STATES OF AMERICA ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS BY THE MAILING (BY REGISTERED MAIL OR CERTIFIED MAIL, POSTAGE PREPAID) OR DELIVERING OF A COPY OF SUCH PROCESS TO SUCH LOAN PARTY, C/O THE ADMINISTRATIVE BORROWER, AT THE ADMINISTRATIVE BORROWER'S ADDRESS FOR NOTICES AS SET FORTH IN SECTION 12.01. THE LOAN PARTIES AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE AGENTS AND THE LENDERS TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW. EACH LOAN PARTY HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE JURISDICTION OR LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. TO THE EXTENT THAT ANY LOAN PARTY HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER THROUGH SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OR OTHERWISE) WITH RESPECT TO ITSELF OR ITS PROPERTY, EACH LOAN PARTY HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

Section 12.11 WAIVER OF JURY TRIAL, ETC. EACH LOAN PARTY, EACH AGENT AND EACH LENDER HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM CONCERNING ANY RIGHTS UNDER THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, OR UNDER ANY AMENDMENT, WAIVER, CONSENT, INSTRUMENT, DOCUMENT OR OTHER AGREEMENT DELIVERED OR WHICH IN THE FUTURE MAY BE DELIVERED IN CONNECTION THEREWITH, OR ARISING FROM ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREES THAT ANY SUCH ACTION, PROCEEDINGS OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH LOAN PARTY CERTIFIES THAT NO OFFICER, REPRESENTATIVE, AGENT OR ATTORNEY OF ANY AGENT OR ANY LENDER HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT ANY AGENT OR ANY LENDER WOULD NOT, IN THE EVENT OF ANY ACTION, PROCEEDING OR COUNTERCLAIM, SEEK TO ENFORCE THE FOREGOING WAIVERS. EACH LOAN PARTY HEREBY ACKNOWLEDGES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE AGENTS AND THE LENDERS ENTERING INTO THIS AGREEMENT.

Section 12.12 Consent by the Agents and Lenders. Except as otherwise expressly set forth herein to the contrary or in any other Loan Document, if the consent, approval, satisfaction, determination, judgment, acceptance or similar action (an "Action") of any Agent or any Lender shall be permitted or required pursuant to any provision hereof or any

provision of any other agreement to which any Loan Party is a party and to which any Agent or any Lender has succeeded thereto, such Action shall be required to be in writing and may be withheld or denied by such Agent or such Lender, in its sole discretion, with or without any reason, and without being subject to question or challenge on the grounds that such Action was not taken in good faith.

Section 12.13 No Party Deemed Drafter. Each of the parties hereto agrees that no party hereto shall be deemed to be the drafter of this Agreement.

Section 12.14 Reinstatement; Certain Payments. If any claim is ever made upon any Agent or any Lender for repayment or recovery of any amount or amounts received by such Agent or such Lender in payment or on account of any of the Obligations, such Agent or such Lender shall give prompt notice of such claim to each other Agent and Lender and the Administrative Borrower, and if such Agent or such Lender repays all or part of such amount by reason of (i) any judgment, decree or order of any court or administrative body having jurisdiction over such Agent or such Lender or any of its property, or (ii) any good faith settlement or compromise of any such claim effected by such Agent or such Lender with any such claimant, then and in such event each Loan Party agrees that (A) any such judgment, decree, order, settlement or compromise shall be binding upon it notwithstanding the cancellation of any Indebtedness hereunder or under the other Loan Documents or the termination of this Agreement or the other Loan Documents, and (B) it shall be and remain liable to such Agent or such Lender hereunder for the amount so repaid or recovered to the same extent as if such amount had never originally been received by such Agent or such Lender. The provisions of this Section shall survive the repayment of the Obligations and release of the Liens granted under the Loan Documents.

Section 12.15 .

(a) General Indemnification. In addition to each Loan Party's other Obligations under this Agreement, each Loan Party agrees to, jointly and severally, defend, protect, indemnify and hold harmless each member of the Lender Group and all of their respective officers, directors, employees, attorneys, consultants and agents (collectively called the "Indemnitees") from and against any and all losses, damages, liabilities, obligations, penalties, fees, reasonable costs and expenses (including, without limitation, reasonable attorneys fees, costs and expenses) ("Losses") incurred by such Indemnitees, whether prior to or from and after the Effective Date, whether direct, indirect or consequential, as a result of or arising from or relating to or in connection with any of the following: (i) any Losses arising out of the negotiation, preparation, execution or performance or enforcement of this Agreement, any other Loan Document or of any other document executed in connection with the transactions contemplated by this Agreement, (ii) any Losses arising out of any Agent's or any Lender's furnishing of funds to the Borrower under this Agreement or any other Loan Document, including, without limitation, the management of any such Loans, (iii) any Losses any matter relating to the financing transactions contemplated by this Agreement or the other Loan Documents or by any document executed in connection with the transactions contemplated by this Agreement or the other Loan Documents, or (iv) any Losses arising out of any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto (collectively, the "Indemnified Matters"); provided, however, that

the Loan Parties shall not have any obligation to any Indemnitee under this Section 12.15 for any Indemnified Matter caused by the gross negligence, bad faith, or willful misconduct of such Indemnitee or any of its Related Parties, as determined by a final non-appealable judgment of a court of competent jurisdiction. "Related Parties" shall mean, with respect to any Indemnified Party, such Indemnified Party and each of its officers, directors and employees. Such indemnification for all of the foregoing losses, damages, fees, costs and expenses of the Indemnitees are chargeable against the Loan Account. To the extent that the undertaking to indemnify, pay and hold harmless set forth in this Section 12.15 may be unenforceable because it is violative of any law or public policy, each Loan Party shall, jointly and severally, contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees. This Indemnity shall survive the repayment of the Obligations and the discharge of the Liens granted under the Loan Documents.

(b) The indemnification for all of the foregoing losses, damages, fees, costs and expenses of the Indemnitees are chargeable against the Loan Account. To the extent that the undertaking to indemnify, pay and hold harmless set forth in this Section 12.15 may be unenforceable because it is violative of any law or public policy, each Loan Party shall, jointly and severally, contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Matters incurred by the Indemnitees. This Indemnity shall survive the repayment of the Obligations and the discharge of the Liens granted under the Loan Documents.

Section 12.16 Records. The unpaid principal of and interest on the Loans, the interest rate or rates applicable to such unpaid principal and interest, the duration of such applicability, the Commitments, the Applicable Prepayment Premium and the accrued and unpaid fees payable pursuant to Sections 2.06, shall at all times be ascertained from the records of the Agents, which shall be conclusive and binding absent manifest error.

Section 12.17 Binding Effect. This Agreement shall become effective when it shall have been executed by each Loan Party, each Agent and each Lender and when the conditions precedent set forth in Section 5.01 hereof have been satisfied or waived in writing by the Agents, and thereafter shall be binding upon and inure to the benefit of each Loan Party, each Agent and each Lender, and their respective successors and assigns, except that the Loan Parties shall not have the right to assign their rights hereunder or any interest herein without the prior written consent of each Agent and each Lender, and any assignment by any Lender shall be governed by Section 12.07 hereof.

Section 12.18 Interest. It is the intention of the parties hereto that each Agent and each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the transactions contemplated hereby or by any other Loan Document would be usurious as to any Agent or any Lender under laws applicable to it (including the laws of the United States of America and the State of New York, and the laws of Canada and the Province of Ontario or any other jurisdiction whose laws may be mandatorily applicable to such Agent or such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary in this Agreement or any other Loan Document or any agreement entered into in connection with or as security for the Obligations, it is agreed as follows: (i) the aggregate of all consideration

which constitutes interest under law applicable to any Agent or any Lender that is contracted for, taken, reserved, charged or received by such Agent or such Lender under this Agreement or any other Loan Document or agreements or otherwise in connection with the Obligations shall under no circumstances exceed the maximum amount allowed by such applicable law, any excess shall be canceled automatically and if theretofore paid shall be credited by such Agent or such Lender on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by such Agent or such Lender, as applicable, to the Borrower); and (ii) in the event that the maturity of the Obligations is accelerated by reason of any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to any Agent or any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if any, provided for in this Agreement or otherwise shall, subject to the last sentence of this Section 12.18, be canceled automatically by such Agent or such Lender, as applicable, as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by such Agent or such Lender, as applicable, on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by such Agent or such Lender to the Borrower); and for greater certainty, any adjustment with respect to "interest" at a "criminal rate" under the *Criminal Code* (Canada) will be adjusted in accordance with Section 2.04(g) of this Agreement. All sums paid or agreed to be paid to any Agent or any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to such Agent or such Lender, be amortized, prorated, allocated and spread throughout the full term of the Loans until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (x) the amount of interest payable to any Agent or any Lender on any date shall be computed at the Highest Lawful Rate applicable to such Agent or such Lender pursuant to this Section 12.18 and (y) in respect of any subsequent interest computation period the amount of interest otherwise payable to such Agent or such Lender would be less than the amount of interest payable to such Agent or such Lender computed at the Highest Lawful Rate applicable to such Agent or such Lender, then the amount of interest payable to such Agent or such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to such Agent or such Lender until the total amount of interest payable to such Agent or such Lender shall equal the total amount of interest which would have been payable to such Agent or such Lender if the total amount of interest had been computed without giving effect to this Section 12.18.

For purposes of this Section 12.18, the term "applicable law" shall mean that law in effect from time to time and applicable to the loan transaction between the Borrower, on the one hand, and the Agents and the Lenders, on the other, that lawfully permits the charging and collection of the highest permissible, lawful non-usurious rate of interest on such loan transaction and this Agreement, including laws of the State of New York and, to the extent controlling, laws of the United States of America and the laws of the Province of Ontario and the federal laws of Canada applicable therein.

The right to accelerate the maturity of the Obligations does not include the right to accelerate any interest that has not accrued as of the date of acceleration.

Section 12.19 Confidentiality. Each Agent and each Lender agrees (on behalf of itself and each of its affiliates, directors, officers, employees and representatives) to use reasonable precautions to keep confidential, in accordance with its customary procedures for handling confidential information of this nature and in accordance with safe and sound practices of comparable commercial finance companies, any material non-public information supplied to it by the Loan Parties pursuant to this Agreement or the other Loan Documents (and which at the time is not, and does not thereafter become, publicly available or available to such Person from another source not known to be subject to a confidentiality obligation to such Person not to disclose such information), provided that nothing herein shall limit the disclosure by any Agent or any Lender of any such information (i) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, counsel, advisors and representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such information and instructed to keep such information confidential in accordance with this Section 12.19), (ii) to the extent required by statute, rule, regulation or judicial process, (iii) to counsel for any Agent or any Lender, (iv) to examiners, auditors, accountants or Securitization Parties, (v) in connection with any litigation relating hereto or to the other Loan Documents and the transactions contemplated hereby and thereby to which any Agent or any Lender is a party or (vi) to any permitted assignee or participant (or prospective permitted assignee or participant) so long as such permitted assignee or participant (or prospective permitted assignee or participant) first agrees, in writing, to be bound by confidentiality provisions similar in substance to this Section 12.19. Each Agent and each Lender agrees that, upon receipt of a request or identification of the requirement for disclosure pursuant to clause (iv) hereof, it will make reasonable efforts to keep the Loan Parties informed of such request or identification; provided that each Loan Party acknowledges that each Agent and each Lender may make disclosure as required or requested by any Governmental Authority or representative thereof and that each Agent and each Lender may be subject to review by Securitization Parties or other regulatory agencies and may be required to provide to, or otherwise make available for review by, the representatives of such parties or agencies any such non-public information.

Section 12.20 Public Disclosure. Each Loan Party agrees that neither it nor any of its Affiliates will now or in the future issue any press release or other public disclosure using the name of an Agent, any Lender or any of their respective Affiliates or referring to this Agreement or any other Loan Document without the prior written consent of such Agent or such Lender, except to the extent that such Loan Party or such Affiliate is required to do so under applicable law (in which event, such Loan Party or such Affiliate will consult with such Agent or such Lender before issuing such press release or other public disclosure). Each Loan Party hereby authorizes each Agent and each Lender, after consultation with the Borrower, to advertise the closing of the transactions contemplated by this Agreement, and to make appropriate announcements of the financial arrangements entered into among the parties hereto, as such Agent or such Lender shall deem appropriate, including, without limitation, on a home page or similar place for dissemination of information on the Internet or worldwide web, or in announcements commonly known as tombstones, in such trade publications, business journals, newspapers of general circulation and to such selected parties as such Agent or such Lender shall deem appropriate.

Section 12.21 BWT LLC as Agent for each entity composing the Borrower. Each entity composing the Borrower hereby irrevocably appoints BWT LLC as the borrowing agent and attorney-in-fact for the Borrower (the "Administrative Borrower") which appointment shall remain in full force and effect unless and until the Administrative Agent shall have received prior written notice signed by all of the entities composing the Borrower that such appointment has been revoked and that another entity composing the Borrower has been appointed Administrative Borrower. Each entity composing the Borrower hereby irrevocably appoints and authorizes the Administrative Borrower (a) to provide to the Administrative Agent and receive from the Administrative Agent all notices with respect to Loans obtained for the benefit of any entity composing the Borrower and all other notices and instructions under this Agreement and (b) to take such action as the Administrative Borrower deems appropriate on its behalf to obtain Loans and to exercise such other powers as are reasonably incidental thereto to carry out the purposes of this Agreement. It is understood that the handling of the Loan Account and Collateral of the Borrower in a combined fashion, as more fully set forth herein, is done solely as an accommodation to the Borrower in order to utilize the collective borrowing powers of the Borrower in the most efficient and economical manner and at their request, and that neither the Administrative Agent nor the Lenders shall incur liability to the Borrower as a result hereof. Each of the entities composing the Borrower expects to derive benefit, directly or indirectly, from the handling of the Loan Account and the Collateral in a combined fashion since the successful operation of each entity composing the Borrower is dependent on the continued successful performance of the integrated group. To induce the Administrative Agent and the Lenders to do so, and in consideration thereof, each of the entities composing the Borrower hereby jointly and severally agrees to indemnify the Indemnitees and hold the Indemnitees harmless against any and all liability, expense, loss or claim of damage or injury, made against such Indemnitee by any of the entities composing the Borrower or by any third party whatsoever, arising from or incurred by reason of (i) the handling of the Loan Account and Collateral of the Borrower as herein provided, (ii) any Agent or any Lender relying on any instructions of the Administrative Borrower, or (iii) any other action taken by any Agent or any Lender hereunder or under the other Loan Documents, subject to Section 12.15(a).

Section 12.22 Debtor-Creditor Relationship. The relationship between the Lenders and the Agents, on the one hand, and the Loan Parties, on the other hand, is solely that of creditor and debtor. None of the Lenders or the Agents has (or shall be deemed to have) any fiduciary relationship or duty to any Loan Party arising out of or in connection with, and there is no agency or joint venture relationship between the Agents and the Lenders, on the one hand, and the Loan Parties, on the other hand, by virtue of any Loan Document or any transaction contemplated therein.

Section 12.23 Section Headings. Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

Section 12.24 Integration. This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof.


Section 12.25 USA PATRIOT Act. Each Lender that is subject to the requirements of the USA PATRIOT Act (Title 111 of Pub. L. 107-56 (signed into law October 26, 2001)) (as amended, the "USA PATRIOT Act") hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies the entities composing the Borrower, which information includes the name and address of each such entity and other information that will allow such Lender to identify the entities composing the Borrower in accordance with the USA PATRIOT Act. Each Loan Party agrees to take such action and execute, acknowledge and deliver at its sole cost and expense, such instruments and documents as any Lender may reasonably require from time to time in order to enable such Lender to comply with the USA PATRIOT Act.

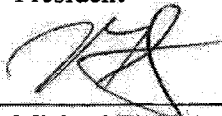
Section 12.26 Judgment Currency. If for the purpose of obtaining judgment in any court it is necessary to convert any amount owing or payable to the Agents or the Lenders under this Agreement from the currency in which it is due (the "Agreed Currency") into a particular currency (the "Judgment Currency"), the rate of exchange applied in that conversion shall be that at which the Administrative Agent, in accordance with its normal procedures, could purchase the Agreed Currency with the Judgment Currency at or about noon on the Business Day immediately preceding the date on which judgment is given. The obligation of the Borrowers in respect of any amount owing or payable under this Agreement to the Agents or Lenders in the Agreed Currency shall, notwithstanding any judgment and payment in the Judgment Currency, be satisfied only to the extent that the Administrative Agent, in accordance with its normal procedures, could purchase the Agreed Currency with the amount of the Judgment Currency so paid at or about noon on the next Business Day following that payment; and if the amount of the Agreed Currency which the Administrative Agent could so purchase is less than the amount originally due in the Agreed Currency, the Borrowers shall, as a separate obligation and notwithstanding the judgment or payment, indemnify the Agents and the Lenders against any loss.

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

US BORROWERS:

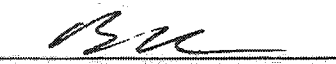
BWT LLC

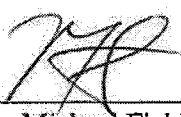
By: 
 Name: Brandon Bethea
 Title: President

By: 
 Name: Michael Fieldstone
 Title: Vice President, Secretary and Treasurer

**HARBOR METALS LLC
 BENTON HARBOR LLC
 HI-TEMP LLC
 HI-TEMP NORTHLAKE LLC
 BRAZING CONCEPTS LLC
 PIHT LLC
 B&W HEAT TREATING LLC
 B&W CANADA LLC
 SAGINAW LLC**


By: BWT LLC, as Manager

By: 
 Name: Brandon Bethea
 Title: President

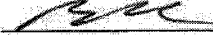
By: 
 Name: Michael Fieldstone
 Title: Vice President, Secretary and
 Treasurer

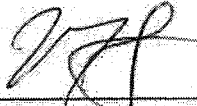
**CANADIAN BORROWER AND
GUARANTOR:**

B&W HEAT TREATING CANADA ULC

By: 
Name: Brandon Bethea
Title: President

GUARANTOR:**BWT HOLDINGS LLC**

By: 
Name: Brandon Bethea
Title: President

By: 
Name: Michael Fieldstone
Title: Vice President, Secretary and Treasurer

**COLLATERAL AGENT AND
ADMINISTRATIVE AGENT:**

CERBERUS BUSINESS FINANCE, LLC

By: _____

Name: Daniel Wolf

Title: President

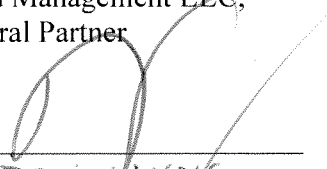
LENDERS:

ABLECO FINANCE LLC

By: 
Name: Daniel Wolf
Title: President

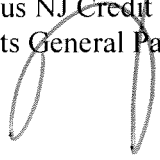
A5 FUNDING L.P.

By: A5 Fund Management LLC,
its General Partner

By: 
Name: Daniel Wolf
Title: vice President

**CERBERUS NJ CREDIT OPPORTUNITIES
FUND, L.P.**

By: Cerberus NJ Credit Opportunities GP,
LLC, its General Partner

By: 
Name: Daniel Wolf
Title: Senior Managing Directors

EXECUTION VERSION**FIRST AMENDMENT
TO FINANCING AGREEMENT**

FIRST AMENDMENT TO FINANCING AGREEMENT, dated as of December 28, 2012 (this "Amendment"), to the Financing Agreement, dated as of October 23, 2012, by and among BWT LLC, a Delaware limited liability company (the "Parent"), Harbor Metals LLC, a Delaware limited liability company ("Harbor"), Benton Harbor LLC, a Delaware limited liability company ("Benton"), Hi-Temp LLC, a Delaware limited liability company ("Hi-Temp"), Hi-Temp Northlake LLC, a Delaware limited liability company ("Hi-Temp Northlake"), Brazing Concepts LLC, a Delaware limited liability company ("Brazing"), PIHT LLC, a Delaware limited liability company ("PIHT"), B&W Heat Trading LLC, a Delaware limited liability company ("B&W"), B&W Canada LLC, a Delaware limited liability company ("B&W Canada"), Saginaw LLC, a Delaware limited liability company ("Saginaw"), each subsidiary of Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, and Saginaw listed as a "US Borrower" on the signature pages thereto (together with Parent, Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw and each other Person (as therein defined) that executes a joinder agreement and becomes a "US Borrower" thereunder, each a "US Borrower" and collectively, the "US Borrowers"), SWHT LLC, a Delaware limited liability company ("SWHT") and Texas Energy Labs LLC, a Delaware limited liability company ("Texas Energy" and together with SWHT, the "Additional US Borrowers"), B&W Heat Treating Canada ULC, an Alberta unlimited liability company (the "Canadian Borrower", together with the US Borrowers and the Additional US Borrowers, collectively and, subject to Section 4.06 of the Financing Agreement, jointly and severally, the "Borrowers"), BWT Holdings LLC, a Delaware limited liability company (the "Ultimate Parent"), each subsidiary of the Ultimate Parent listed as a "Guarantor" on the signature pages thereto (together with the Ultimate Parent, the Canadian Borrower and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder or otherwise guaranties all or any part of the Obligations (as therein defined), each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), Cerberus Business Finance, LLC, a Delaware limited liability company ("Cerberus"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and Cerberus, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

WHEREAS, pursuant to that certain Joinder Agreement dated as of the date hereof, SWHT LLC and Texas Energy Labs LLC have agreed to join the Financing Agreement and become Borrowers thereunder;

WHEREAS, the Borrowers, the Ultimate Parent, the other Guarantors, the Lenders and the Agents are parties to the Financing Agreement, pursuant to which the Lenders extended a credit facility of \$48,500,000 to the Borrowers consisting of (a) a revolving credit facility provided to the US Borrowers in an aggregate principal amount of up to \$3,000,000 and (b) a term loan facility in an aggregate principal amount of \$45,500,000, which consisted of (i) upon completion of the Acquisition (as defined therein), a Term Loan A in the principal amount

of \$42,500,000 to the US Borrowers and (ii) a Term Loan B in the principal amount of \$3,000,000 to the Canadian Borrower.

WHEREAS, the Borrowers, the Ultimate Parent, the other Guarantors, the Lenders and the Agents wish to amend the Financing Agreement on the First Amendment Effective Date (as hereinafter defined), it being the intention of the parties hereto that the Lenders will make an additional term loan, Term Loan A-2 (as hereinafter defined), to the US Borrowers on the First Amendment Effective Date in an aggregate principal amount of \$5,150,000, such that the aggregate principal amount of the Term Loan A outstanding under the Financing Agreement on the First Amendment Effective Date shall be \$47,650,000.

WHEREAS, the proceeds of Term Loan A-2 made on the First Amendment Effective Date together with the First Amendment Equity Contribution (as hereinafter defined) shall be used (i) to acquire the Southwest Acquisition Assets (as hereinafter defined) for a purchase price not to exceed \$12,000,000, (ii) for general corporate and other working capital purposes of the Loan Parties, and (iii) to pay fees and expenses related to this Amendment and the Southwest Acquisition Agreement (as hereinafter defined).

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the Borrowers, the Ultimate Parent, the other Guarantors, the Lenders and the Agents hereby agree that the Financing Agreement shall be amended as follows:

1. Definitions. All terms used herein that are defined in the Financing Agreement and not otherwise defined herein shall have the meanings assigned to them in the Financing Agreement.

2. Amendments.

(a) Recitals. The recitals of the Financing Agreement are hereby amended and restated in their entirety to read as follows:

"The Borrowers have asked the Lenders to extend a credit facility of \$53,650,000 to the Borrowers consisting of (a) a revolving credit facility provided to the US Borrowers upon completion of the Acquisition in an aggregate principal amount of up to \$3,000,000 and (b) a term loan facility in an aggregate principal amount of \$47,650,000, which shall consist of (i) (x) upon completion of the Acquisition (as defined herein), a term loan "A-1" in the principal amount of \$42,500,000 to the US Borrowers and (y) upon completion of the Southwest Acquisition (as defined herein), a term loan "A-2" in the principal amount of \$5,150,000 to the US Borrowers and (ii) a term loan "B" in the principal amount of \$3,000,000 to the Canadian Borrower. The proceeds of (a) the Revolving Loan, Term Loan A-1 and Term Loan B made on the Effective Date shall be used (i) to finance a portion of the purchase price for the Acquisition (as hereinafter defined), (ii) for general working capital requirements and other general corporate purposes of the Loan Parties (as hereinafter defined), and (iii) to pay fees and expenses related to the Acquisition and this Agreement and (b) the Term Loan A-2 made on the First Amendment Effective Date together with the First Amendment Equity Contribution (as hereinafter defined) shall be used (i) to acquire the Southwest Acquisition Assets (as hereinafter defined), (ii) for

general corporate and other working capital purposes of the Loan Parties, and (iii) to pay fees and expenses related to the First Amendment and the Southwest Acquisition Agreement (as hereinafter defined). The Lenders are severally, and not jointly, willing to extend such credit to the Borrowers subject to the terms and conditions hereinafter set forth.

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

(b) New Definitions. Section 1.01 of the Financing Agreement is hereby amended by adding the following definitions, in appropriate alphabetical order:

"First Amendment' means the First Amendment to Financing Agreement, dated as of December 28, 2012, by and among the Borrowers, the Ultimate Parent, the other Guarantors, the Agents and the Lenders."

"First Amendment Effective Date' means the date on which the First Amendment shall become effective in accordance with its terms."

"First Amendment Equity Contribution' has the meaning specified therefor in the First Amendment."

"First Amendment Equity Contribution Documents' has the meaning specified therefor in the First Amendment."

"Southwest' means collectively, Southwest Heat Treat Services, LLC, a Texas limited liability company, Texas Energy Lab, Inc., a corporation formed under the laws of Texas, and Southwest Heat Treat, Inc., a corporation formed under the laws of Texas."

"Southwest Acquisition' means the acquisition of the Southwest Assets pursuant to the Southwest Acquisition Documents."

"Southwest Acquisition Agreements' means that certain Asset Purchase Agreement, dated as of December 28, 2012, by and among SWHT LLC, a Delaware limited liability company, Texas Energy Labs LLC, a Delaware limited liability company, and Southwest."

"Southwest Acquisition Assets' means all of the property and assets (tangible and intangible) proposed to be purchased by SWHT LLC and Texas Energy Labs LLC pursuant to the Southwest Acquisition Agreement."

"Southwest Acquisition Documents' means the Southwest Acquisition Agreement, together with all other agreements, instruments and other documents entered into or delivered in connection with the Southwest Acquisition."

"Southwest Perfection Certificate' means a Perfection Certificate executed by SWHT and Texas Energy evidencing the assets acquired in connection with the Southwest Acquisition and in a form reasonably acceptable to the Collateral Agent."

"Term Loan A-1' means, collectively, the loans made by the Term Loan Lenders to the US Borrowers on the Effective Date, pursuant to Section 2.01(a)(ii)."

"Term Loan A-2' means, collectively, the loans made by the Term Loan Lenders to the US Borrowers on the First Amendment Effective Date, pursuant to Section 2.01(a)(iii)."

"Term Loan A-1 Commitment' means, with respect to each Term Loan Lender, the commitment of such Lender to make a portion of the Term Loan A-1 to the US Borrowers in the amount set forth in Schedule C-1 hereto, as the same may be terminated or reduced from time to time in accordance with the terms of this Agreement."

"Term Loan A-2 Commitment' means, with respect to each Term Loan Lender, the commitment of such Lender to make a portion of the Term Loan A-2 to the US Borrowers in the amount set forth in Schedule C-1 hereto, as the same may be terminated or reduced from time to time in accordance with the terms of this Agreement."

(c) Existing Definitions.

(i) The definition of "Consolidated EBITDA" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Consolidated EBITDA" means, with respect to any Person for any period, (a) the Consolidated Net Income of such Person and its Subsidiaries for such period, plus (b) without duplication, the sum of the following amounts of such Person and its Subsidiaries for such period and, except in the case of clauses (b)(viii) and (b)(xii), to the extent deducted in determining Consolidated Net Income of such Person and its Subsidiaries for such period (in each case calculated on a consolidated basis in accordance with GAAP): (i) Consolidated Net Interest Expense, (ii) net income tax expense (including foreign withholding taxes and any State business, unitary, gross receipts, or similar tax), (iii) depreciation expense, (iv) amortization expense, (v) Permitted Management Fees, the reimbursement of out-of-pocket expenses and indemnification payments paid or accrued (to the extent so permitted hereunder) to Aterian and its Affiliates during such period, (vi) non-cash restructuring charges relating to the Acquisition, (vii) (x) to the extent actually paid during such period, fees and expenses related to the consummation of the Acquisition and the transactions contemplated to be consummated on the Effective Date under this Agreement and (y) to the extent actually paid during such period, fees and expenses related to the consummation of the Southwest Acquisition and the transactions contemplated to be consummated on the First Amendment Effective Date, (viii) non-cash purchase accounting adjustments, (ix) the lessor of (a) \$3,700,000 or (b) the transaction costs

related to the Acquisition incurred at or prior to the Effective Date, (x) the lessor of (a) \$725,000 or (b) the transaction costs related to the Southwest Acquisition incurred at or prior to the First Amendment Effective Date, (xi) to the extent not already included in the calculation of Consolidated Net Income, proceeds from business interruption insurance, (xii) non-cash charges resulting from the grant of stock options or other equity related incentives to any director, officer or employee of the Parent or any Subsidiary of the Parent pursuant to a written plan or agreement approved by the board of directors of the applicable Person, (xiii) to the extent not already included in the calculation of Consolidated Net Income and actually indemnified or reimbursed, any expenses and charges that are covered by indemnification or reimbursement provisions in connection with any Disposition, (xiv) implemented cost savings items described on Schedule 1.01, in an amount not to exceed \$220,000 in the aggregate, (xv) any non-cash impact arising from treatment of pension obligations, and (xvi) non-cash losses arising from a change in foreign exchange rates, less non-cash gains arising from a change in foreign exchange rates."

(ii) The definition of "Term Loan" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Term Loan' means, collectively, the Term Loan A-1, Term Loan A-2 and the Term Loan B."

(iii) The definition of "Term Loan A" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Term Loan A' means, collectively, the Term Loan A-1 and the Term Loan A-2."

(iv) The definition of "Total Term Loan A Commitment" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Total Term Loan A Commitment' means the sum of the amounts of the Lenders' Term Loan A-1 Commitments and Term Loan A-2 Commitments."

(d) Commitments. Section 2.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Section 2.01 Commitments. (a) Subject to the terms and conditions and relying upon the representations and warranties herein set forth:

(i) each Revolving Loan Lender severally agrees to make Revolving Loans to the US Borrowers at any time and from time to time after consummation of the Acquisition to the Final Maturity Date, or until the earlier reduction of its Revolving Credit Commitment to zero in accordance with the terms hereof, in an

aggregate principal amount of Revolving Loans at any time outstanding not to exceed the amount of such Lender's Revolving Credit Commitment;

(ii) each Term Loan Lender severally agrees to make its Pro Rata Share of the Term Loan A-1 to the Parent on the Effective Date, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan A-1 Commitment;

(iii) each Term Loan Lender severally agrees to make its Pro Rata Share of the Term Loan A-2 to SWHT and Texas Energy on the First Amendment Effective Date, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan A-2 Commitment; and

(iv) each Term Loan Lender severally agrees to make its Pro Rata Share of the Term Loan B to the Canadian Borrower on the Effective Date after consummation of the Acquisition, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan B Commitment, provided that the proceeds of the Term Loan B shall, on the Effective Date, be distributed by the Canadian Borrower to the Parent and applied by the Parent to prepay the Term Loan A-1.

(b) Notwithstanding the foregoing:

(i) The aggregate principal amount of the Revolving Loans outstanding at any time to the US Borrowers shall not exceed the result of (A) the lesser of (x) the Borrowing Base and (y) the Total Revolving Credit Commitment minus (B) the Saginaw Reserve. The Revolving Loan Commitment of each Lender shall automatically and permanently be reduced to zero at 5:00 p.m. (New York City time) on the Final Maturity Date. Any principal amount of the Revolving Loan that is repaid or prepaid may be reborrowed. No Revolving Loans shall be advanced on the Effective Date.

(ii) The sum of (A) the aggregate principal amount of the Term Loan A-1 made on the Effective Date plus (B) the aggregate principal amount of the Term Loan A-2 made on the First Amendment Effective Date shall not exceed the Total Term Loan A Commitment. The Term Loan A shall be secured by all of the Collateral and shall constitute US Obligations. The Term Loan B shall be secured by all of the Collateral and shall constitute Canadian Obligations. Any principal amount of the Term Loan which is repaid or prepaid may not be reborrowed.

(c) The Loan Parties hereby acknowledge, confirm and agree that (A) immediately prior to the First Amendment Effective Date, (1) the outstanding principal amount of the Revolving Loan is equal to \$0.00, (2) the outstanding principal amount of the Term Loan A-1 is equal to \$42,500,000 (the "Existing Term Loan A-1"), (3) the outstanding principal amount of the Term Loan B is equal to \$3,000,000 (the "Existing Term Loan B") and together with the Existing Term Loan A-1, collectively, the "Existing Term Loans"), and (4) the Revolving Loan and the Existing Term Loans are outstanding and payable to Lenders under this Agreement without set-off, counterclaim, deduction,

offset or defense and are secured by a first priority security interest in and Lien on the Collateral (subject only to Permitted Liens), (B) the Term Loan A-2 made on the First Amendment Effective Date shall be an amount equal to the Term Loan A-2 Commitment, and (C) after giving effect to the First Amendment and this Agreement on the First Amendment Effective Date, (1) the aggregate principal amount of the Term Loans outstanding is equal to \$50,650,000, (2) the aggregate principal amount of the Revolving Loan (including any Revolving Loan made on the First Amendment Effective Date) outstanding is equal to \$0.00 and (3) the Loans are outstanding and payable to Lenders under the terms of this Agreement and the Loan Documents without set-off, counterclaim, deduction, offset or defense and are secured by a first priority security interest in and lien on the Collateral (subject only to Permitted Liens).

(e) Making the Loans. Clause (ii) of the second sentence of Section 2.02(a) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(ii) the proposed borrowing date, which must be a Business Day, and with respect to the Term Loan, must be the Effective Date or the First Amendment Effective Date, as applicable."

(f) Repayment of Loans; Evidence of Debt. Section 2.03(b) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(b) The outstanding principal of the Term Loan shall be repayable in equal quarterly installments, on the last Business Day of each March, June, September and December, in an amount equal to \$560,000 for the fiscal quarters ending on March 31, 2013 through and including September 30, 2013, and \$835,000 per fiscal quarter thereafter until the Final Maturity Date. Each amortization installment shall be applied first to the Term Loan A until paid in full and then to Term Loan B."

(g) Reduction of Commitment; Prepayment of Loans. Section 2.05(a)(ii) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(ii) Term Loan. The Term Loan A-1 Commitment and the Term Loan B Commitment shall terminate upon the funding of such Term Loans on the Effective Date. The Term Loan A-2 Commitment shall terminate upon the funding of the Term Loan A-2 on the First Amendment Effective Date."

(h) Reduction of Commitment; Prepayment of Loans. Section 2.05(c)(iii) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(iii) The Borrower will immediately prepay the outstanding principal amount of the Term Loan in the event that the Total Revolving Credit Commitment is

terminated for any reason. The proceeds of the Term Loan B shall be applied to prepay the Term Loan A-1 on the Effective Date in accordance with Section 2.01(a)(iv)."

(i) Fees. Section 2.06(a) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(a) (i) On the Effective Date, the Borrower shall pay to the Administrative Agent, for the account of each Lender, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$1,333,750, which shall be deemed fully earned when paid, and (ii) on the First Amendment Effective Date, the Borrower shall pay to the Administrative Agent, for the account of each Lender with a Term Loan A-2 Commitment, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$141,625.00, which shall be deemed fully earned when paid."

(j) Use of Proceeds. Section 6.01(t) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(t) Use of Proceeds. The proceeds of (i) the Loans made on the Effective Date shall be used to (A) finance a portion of the purchase price for the Acquisition, (B) for general working capital requirements and other general corporate purposes of the Loan Parties, and (C) to pay fees and expenses related to the Acquisition and this Agreement, and (ii) Loans made on the First Amendment Effective Date together with the proceeds from the First Amendment Equity Contribution, shall be used to (A) fund the Southwest Acquisition, (B) for general working capital requirements and other general corporate purposes of the Loan Parties, and (C) pay fees and expenses in connection with the transactions contemplated by the First Amendment and the Southwest Acquisition Documents."

(k) Section 6.01(gg) of the Financing Agreement is hereby amended by inserting therein the words "of this Agreement and Section 3(d) of the First Amendment" immediately after the words "Section 5.01(d)(iv)."

(l) Southwest Acquisition Documents. The following new Section 6.01(nn) is hereby added to the Financing Agreement:

"(nn) Southwest Acquisition Documents. The Ultimate Parent has delivered to the Agents a complete and correct copy of the Southwest Acquisition Agreement and the other Southwest Acquisition Documents, including all schedules and exhibits thereto. The Southwest Acquisition Documents set forth the entire agreement and understanding of the parties thereto relating to the subject matter thereof, and there are no other agreements, arrangements or understandings, written or oral, relating to the matters covered thereby. The execution, delivery and performance of the Southwest Acquisition Agreement has been duly authorized by all necessary action (including, without limitation, the obtaining of any consent of stockholders or other holders of Equity Interests required by law or by any applicable corporate or other organizational documents) on the part of each Loan Party party thereto. No authorization or approval or

other action by, and no notice to filing with or license from, any Governmental Authority is required for the Southwest Acquisition, other than (i) consents or approvals that have been obtained and that are still in full force and effect, or (ii) consents or approvals that have been modified or waived. Each Southwest Acquisition Document when delivered is the legal, valid and binding obligation of the Loan Parties party thereto, enforceable against such parties in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general principles of equity. "

(m) Consummation of Southwest Acquisition. The following new Section 6.01(oo) is hereby added to the Financing Agreement:

"(oo) Consummation of Southwest Acquisition. All conditions precedent to the Southwest Acquisition Agreement have been fulfilled or waived, and no Southwest Acquisition Document has been amended or otherwise modified, in each case without the prior written consent of the Agents if such amendment or modification is materially adverse to the Lenders, and as of the First Amendment Effective Date there has been no breach of any material term or condition of any Southwest Acquisition Document."

(n) Capital Expenditures. Section 7.03(c) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(c) Capital Expenditures. Make unfinanced Capital Expenditures in any Fiscal Year in excess of the amount set forth in the following table for the applicable period:

<u>Period</u>	<u>Capital Expenditures</u>
3 months ending December 31, 2012	\$1,869,000
Fiscal Year ending December 31, 2013, and each Fiscal Year thereafter	\$6,150,000

provided, that, if the amount of the Capital Expenditures permitted to be made in any Fiscal Year as set forth in the above table is greater than the actual amount of such Capital Expenditures actually made in such Fiscal Year (such amount, the "Excess Amount"), then 50% of such Excess Amount (the "Carry Over Amount") applicable to one Fiscal Year may be carried forward to another Fiscal Year; provided, further, the Loan Parties may make unfinanced Capital Expenditures in each of Fiscal Years 2013 and 2014 in excess of the amounts set forth in the table above for each such Fiscal Year in connection with the "Saginaw Heads" project if such project is awarded to any Loan Party by GM and subject to the Agents' approval of the project in their reasonable discretion, so long as the aggregate amount of such additional unfinanced Capital Expenditures does not exceed \$1,000,000."

(o) TTM EBITDA. Section 7.03(d) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(d) TTM EBITDA. Permit TTM EBITDA of the Ultimate Parent and its Subsidiaries as of each date set forth below to be less than the amount set forth opposite such date:"

<u>Fiscal Quarter End</u>	<u>Consolidated EBITDA</u>
December 31, 2012	\$16,071,000
March 31, 2013	\$17,215,000
June 30, 2013	\$16,174,000
September 30, 2013	\$15,725,000
December 31, 2013	\$16,046,000
March 31, 2014	\$16,241,000
June 30, 2014	\$16,434,000
September 30, 2014	\$16,598,000
December 31, 2014	\$16,783,000
March 31, 2015	\$17,432,000
June 30, 2015	\$18,036,000
September 30, 2015	\$18,606,000
December 31, 2015	\$19,183,000
March 31, 2016	\$19,518,000
June 30, 2016	\$19,831,000
September 30, 2016	\$20,117,000
December 31, 2016 and each quarter thereafter	\$20,413,000

(p) Schedules. The schedules to the Financing Agreement are hereby amended by deleting such schedules in their entirety and replacing such schedules to include SWHT and Texas Energy as set forth on Annex A attached hereto, such schedules shall be deemed to qualify for all purposes the representations contained in such corresponding sections of the Financing Agreement.

3. Representations and Warranties. Each Loan Party hereby represents and warrants to the Agents and the Lenders as follows:

(a) Representations and Warranties; No Event of Default. The representations and warranties herein, in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered by or on behalf of the Loan Parties to any Agent or any Lender pursuant to the Financing Agreement or any other Loan Document on or immediately prior to the First Amendment Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date), and no Default or Event of Default has occurred and is continuing as of the First Amendment Effective Date or would result from this Amendment becoming effective in accordance with its terms.

(b) Organization, Good Standing, Etc. Each Loan Party (i) is a corporation, limited liability company or limited partnership duly organized, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) has all requisite power and authority to conduct its business as now conducted and as presently contemplated, and to execute and deliver this Amendment, and to consummate the transactions contemplated hereby and by the Financing Agreement, as amended hereby, and (iii) is duly qualified to do business in, and is in good standing in each jurisdiction where the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary except (solely for the purposes of this subclause (iii)) where the failure to be so qualified and be in good standing could not reasonably be expected to have a Material Adverse Effect.

(c) Authorization, Etc. The execution and delivery by each Loan Party of this Amendment and each other Loan Document delivered and executed on the First Amendment Date to which it is or will be a party, and the performance of the Financing Agreement, as amended hereby, (i) are within the power and authority of such Loan Party and have been duly authorized by all necessary action, (ii) do not and will not contravene any of its Governing Documents, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture

or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except (solely for the purposes of this subclause (iv)) to the extent that such default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to result in a Material Adverse Effect and (v) do not contravene any applicable Requirement of Law or any Contractual Obligation binding on or otherwise affecting it or any of its properties, except (solely for the purposes of this subclause (v)) to the extent it could not reasonably be expected to result in a Material Adverse Effect.

(d) Enforceability of Loan Documents. This Amendment is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by principles of equity.

(e) Governmental Approvals. No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required in connection with the due execution, delivery and performance by any Loan Party of any Loan Document to which it is or will be a party.

4. Southwest Acquisition. Notwithstanding anything to the contrary in the Financing Agreement or other Loan Documents (including, without limitation, Sections 2.05(c)(iv), 7.02(c), 7.02(e) and 7.02(f) of the Financing Agreement), but subject to the conditions to effectiveness set forth in Section 5 below, the Agents and Lenders hereby (i) consent to the Southwest Acquisition (including, without limitation, the sale and leaseback of Southwest's headquarters, on the terms as set forth in the term sheet dated December 5, 2012 by and among AIC Ventures L.P. and BTW LLC) and (ii) agree that the proceeds of the sale and leaseback transaction shall be used to fund the Southwest Acquisition.

5. Conditions to Effectiveness. This Amendment shall become effective only upon satisfaction in full (or waiver), in a manner reasonably satisfactory to the Agents, of the following conditions precedent (the first date upon which all such conditions shall have been satisfied being herein called the "First Amendment Effective Date"):

(a) Payment of Fees, Etc. The Borrowers shall have paid on the date of this Amendment (A) the closing fee specified in Section 2.06(a)(ii) of the Financing Agreement (as amended hereby), and (B) all other fees, costs, expenses and taxes then payable pursuant to Section 2.06 or 12.04 of the Financing Agreement.

(b) Representations and Warranties. The representations and warranties contained in this Amendment and in Article VI of the Financing Agreement and in each other Loan Document shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the First Amendment Effective Date as though made on and as of

such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date).

(c) No Default; Event of Default. No Default or Event of Default shall have occurred and be continuing on the First Amendment Effective Date or result from this Amendment becoming effective in accordance with its terms.

(d) Delivery of Documents. The Collateral Agent shall have received on or before the First Amendment Effective Date the following, each in form and substance reasonably satisfactory to the Collateral Agent and, unless indicated otherwise, dated the First Amendment Effective Date:

(i) the Amendment, duly executed by the Loan Parties, each Agent and each Lender;

(ii) a flow of funds agreement, duly executed by the Loan Parties, the Agents and the Lenders, in form and substance reasonably satisfactory to the Collateral Agent;

(iii) the Southwest Perfection Certificate, duly executed by SWHT and Texas Energy;

(iv) a Joinder to the Financing Agreement, duly executed by SWHT LLC and Texas Energy Labs LLC;

(v) a joinder agreement to the Intercompany Subordination Agreement, duly executed by SWHT LLC and Texas Energy Labs LLC;

(vi) the Security Agreement Supplement, substantially in the form of Exhibit C to the Security Agreement, duly executed by SWHT LLC and Texas Energy Labs LLC;

(vii) the Pledge Amendment, substantially in the form of Exhibit A to the Security Agreement, duly executed by the equity holder of SWHT LLC and Texas Energy Labs LLC, together with the original stock certificates representing all of the common stock of such acquired Persons required to be pledged thereunder and all intercompany promissory notes of such Person required to be pledged thereunder, accompanied by undated stock powers executed in blank and other proper instruments of transfer;

(viii) a Collateral Assignment of the Southwest Acquisition Documents;

(ix) results of Lien searches, listing all effective financing statements which name as debtor Southwest or any of its subsidiaries or any Person acquired or formed in connection with the Southwest Acquisition, together with copies of such financing statements, none of which, except as otherwise agreed in writing by the Agents and Permitted

Liens, shall cover any of the Collateral and the results of searches for any tax Lien and judgment Lien filed against such Person or its property, which results, except as otherwise agreed to in writing by the Agents and Permitted Liens, shall not show any such Liens other than Permitted Liens;

(x) a copy of the resolutions of each Loan Party, certified as of the First Amendment Effective Date by an Authorized Officer thereof, authorizing (A) the additional borrowings hereunder and the transactions contemplated by the Loan Documents to which such Loan Party is or will be a party, and (B) the execution, delivery and performance by such Loan Party of each Loan Document to which such Loan Party is or will be a party and the execution and delivery of the other documents to be delivered by such Person in connection herewith and therewith, including, without limitation, the Southwest Acquisition Documents;

(xi) a certificate of the appropriate official(s) of the jurisdiction of organization and each jurisdiction of foreign qualification of SWHT LLC and Texas Energy Labs LLC where its ownership or lease of property or the conduct of its business requires such qualification certifying as of a recent date not more than 30 days prior to the First Amendment Effective Date as to the good standing of SWHT LLC and Texas Energy Labs LLC, in such jurisdictions, except, in each case, where the failure to be so qualified could not reasonable be expected to result in a Material Adverse Effect of the Loan Parties, taken as a whole;

(xii) a true and complete copy of the charter, certificate of formation, certificate of limited partnership or other publicly filed organizational document of SWHT LLC and Texas Energy Labs LLC certified as of a recent date not more than 30 days prior to the First Amendment Effective Date by an appropriate official of the jurisdiction of organization of SWHT LLC and Texas Energy Labs LLC which shall set forth the same complete name of SWHT LLC and Texas Energy Labs LLC, as is set forth herein and the organizational numbers of SWHT LLC and Texas Energy Labs LLC, if organizational numbers are issued in such jurisdiction;

(xiii) to the extent not previously delivered, a copy of the Governing Documents of each Loan Party, together with all amendments thereto, certified as of the First Amendment Effective Date by an Authorized Officer of such Loan Party;

(xiv) a Landlord Waiver and Consent from NL Ventures IX Lauder, L.L.C., for the premises located at 1733 and 1833 Lauder Rd., Houston, Harris County, Texas 77039;

(xv) an opinion of Hunton & Williams LLP, counsel to the Loan Parties, as to such matters as the Collateral Agent may reasonably request;

(xvi) a certificate of an Authorized Officer of each Loan Party, certifying as to the matters set forth in subsections (b) and (c) of this Section 4;

(xvii) evidence of the insurance coverage required by Section 7.01(h) of the Financing Agreement and the terms of the Security Agreement and such insurance

coverage is in full force and effect and indicates that SWHT LLC and Texas Energy Labs LLC are covered by such insurance policies; and

(xviii) a certificate from the President of the Parent certifying on behalf of the Loan Parties (i) as to the solvency of the Loan Parties taken as a whole (after giving effect to the Southwest Acquisition, the First Amendment Equity Contribution and the other transactions contemplated hereby), and (ii) that attached thereto are complete and correct copies of (A) the Southwest Acquisition Documents, (B) the First Amendment Equity Contribution Documents, and (C) the final Sprock Capital Advisory LLC quality of earnings report and financial statements utilized for this report.

(e) Consummation of the Southwest Acquisition. Concurrently with the making of the Loans on the First Amendment Effective Date, (i) SWHT LLC and Texas Energy Labs LLC shall have purchased pursuant to the Southwest Acquisition Documents (no provision of which shall have been amended or otherwise modified or waived in a manner that is materially adverse to Lenders without the prior written consent of the Agents), and shall have become the owner, free and clear of all Liens other than Permitted Liens, of all of the Southwest Acquisition Assets for a purchase price not in excess of \$12,000,000, (ii) the proceeds of the Loans made on the First Amendment Effective Date shall have been applied in full to pay the purchase price payable pursuant to the Southwest Acquisition Documents for the Southwest Acquisition Assets and the closing and other costs relating thereto and (iii) each party shall have fully performed all of the obligations to be performed by it under the Southwest Acquisition Documents (other than condition waived that could not be materially adverse to the Lenders).

(f) Material Adverse Effect. The Collateral Agent shall have determined, in its reasonable judgment, that no event or development shall have occurred since October 23, 2012, which could reasonably be expected to have a Material Adverse Effect.

(g) Liens; Priority. The Agents shall be satisfied that the Collateral Agent has been granted, and holds, for the benefit of the Agents and the Lenders, a perfected, first priority Lien on and security interest in all of the Collateral to the extent such Liens and security interests are required to be granted or perfected by the First Amendment Effective Date, if at all, pursuant to the Loan Documents, subject only to Permitted Liens.

(h) First Amendment Equity Contribution.

(i) Concurrently with the making of the Term Loan A-2 on the First Amendment Effective Date, the Permitted Holder shall have contributed to the Parent or its subsidiaries cash equity proceeds in an amount not less than \$2,675,000 (the "First Amendment Equity Contribution") plus at least another \$4,900,000 (the "Sale/Leaseback Bridge Amount") in advance of the consummation of the sale and leaseback of Southwest's headquarters (the "Sale/Leaseback"). Upon consummation of the Sale/Leaseback, notwithstanding anything to the contrary in the Financing Agreement, the Required Lenders hereby consent to the distribution of the net cash proceeds therefrom to the Permitted Holders in an amount not to exceed the Sale/Leaseback Bridge Amount. The documentation evidencing the First Amendment Equity Contribution and the Sale/Leaseback (the "First Amendment Equity Contribution Documents")

shall be in form and substance reasonably satisfactory to the Required Lenders and no provision of which shall have been amended or otherwise modified or waived in a manner materially adverse to the Lenders without the prior written consent of the Agents.

6. Continued Effectiveness of the Financing Agreement and Other Loan Documents. Each Loan Party hereby (i) acknowledges and consents to this Amendment, (ii) confirms and agrees that the Financing Agreement and each other Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the First Amendment Effective Date all references in any such Loan Document to "the Financing Agreement", the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Financing Agreement shall mean the Financing Agreement as amended by this Amendment, and (iii) confirms and agrees that to the extent that any such Loan Document purports to assign or pledge to the Collateral Agent for the benefit of the Agents and the Lenders, or to grant to the Collateral Agent for the benefit of the Agents and the Lenders a security interest in or Lien on, any Collateral as security for the Obligations of the Loan Parties from time to time existing in respect of the Financing Agreement (as amended hereby) and the other Loan Documents, such pledge, assignment and/or grant of the security interest or Lien is hereby ratified and confirmed in all respects. This Agreement does not and shall not affect any of the obligations of the Loan Parties, other than as expressly provided herein, including, without limitation, the Loan Parties' obligations to repay the Loans in accordance with the terms of Financing Agreement, or the obligations of the Loan Parties under any Loan Document to which they are a party, all of which obligations shall remain in full force and effect. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agents or any Lender under the Financing Agreement or any other Loan Document, nor constitute a waiver of any provision of the Financing Agreement or any other Loan Document.

7. Release. Each Loan Party hereby acknowledges and agrees that: (a) neither it nor any of its Subsidiaries has any claim or cause of action against the Agents or any Lender (or any of their respective Affiliates, officers, directors, employees, attorneys, consultants or agents in their capacities for the Agents or any Lender) in connection with the Loan Documents and (b) the Agents and each Lender has heretofore properly performed and satisfied in a timely manner all of its obligations to the Loan Parties and their Subsidiaries under the Financing Agreement and the other Loan Documents that are required to have been performed on or prior to the date hereof. Notwithstanding the foregoing, the Agents and the Lenders wish (and the Loan Parties agree) to eliminate any possibility that any past conditions, acts, omissions, events or circumstances would impair or otherwise adversely affect any of the Agents' and the Lenders' rights, interests, security and/or remedies under the Financing Agreement and the other Loan Documents. Accordingly, for and in consideration of the agreements contained in this Amendment and other good and valuable consideration, each Loan Party (for itself and its Subsidiaries and the successors, assigns, heirs and representatives of each of the foregoing) (collectively, the "Releasers") does hereby fully, finally, unconditionally and irrevocably release and forever discharge each Agent, each Lender and each of their respective Affiliates, officers, directors, employees, attorneys, consultants and agents in their capacities as an Agent or any

Lender (collectively, the "Released Parties") from any and all debts, claims, obligations, damages, costs, attorneys' fees, suits, demands, liabilities, actions, proceedings and causes of action, in each case, whether known or unknown, contingent or fixed, direct or indirect, and of whatever nature or description, and whether in law or in equity, under contract, tort, statute or otherwise, which any Releasor has heretofore had or now or hereafter can, shall or may have against any Released Party by reason of any act, omission or thing whatsoever done or omitted to be done on or prior to the First Amendment Effective Date directly arising out of, connected with or related to this Amendment, the Financing Agreement or any other Loan Document, or any act, event or transaction related or attendant thereto, or the agreements of any Agent or any Lender contained therein, or the possession, use, operation or control of any of the assets of any Loan Party, or the making of any Loans or other advances, or the management of such Loans or advances or the Collateral.

8. Miscellaneous.

(a) This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart of this Amendment.

(b) Section and paragraph headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

(c) This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

(d) Each Loan Party hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Financing Agreement. Accordingly, it shall be an Event of Default under the Financing Agreement if (i) any representation or warranty made by a Loan Party under or in connection with this Amendment shall have been untrue, false or misleading in any material respect when made, or (ii) after giving effect to any applicable grace periods set forth in the Loan Documents, any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Amendment.

(e) Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date set forth on the first page hereof.

US BORROWERS:

BWT LLC

By: Michael C. Wellham
Name: Michael C. Wellham
Title: President and Chief Executive Officer

**HARBOR METALS LLC
BENTON HARBOR LLC
HI-TEMP LLC
HI-TEMP NORTHLAKE LLC
BRAZING CONCEPTS LLC
PIHT LLC
B&W HEAT TREATING LLC
B&W CANADA LLC
SAGINAW LLC
SWHT LLC
TEXAS ENERGY LABS LLC**

By: BWT LLC, as Manager

By: Michael C. Wellham
Name: Michael C. Wellham
Title: President and Chief Executive
Officer

**CANADIAN BORROWER AND
GUARANTOR:**

B&W HEAT TREATING CANADA ULC


By: Michael C. Wellham

Name: Michael C. Wellham

Title: President and Chief Executive Officer

GUARANTOR:

BWT HOLDINGS LLC

By: 
Name: Brandon Bethea
Title: President

First Amendment

**COLLATERAL AGENT AND
ADMINISTRATIVE AGENT:**

CERBERUS BUSINESS FINANCE, LLC

By: _____

Name: Daniel Wolf

Title: President

LENDERS:

ABLECO FINANCE LLC

By: _____
Name: Daniel Wolf
Title: President

A5 FUNDING L.P.

By: A5 Fund Management LLC,
its General Partner

By: _____
Name: Daniel Wolf
Title: Vice President

CERBERUS N-1 FUNDING LLC

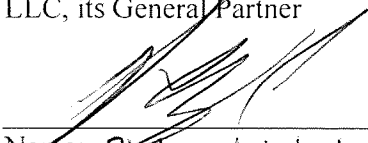
By: _____
Name: Daniel Wolf
Title: Senior Managing Director

CERBERUS ONSHORE LEVERED II LLC

By: _____
Name: Daniel Wolf
Title: Vice President

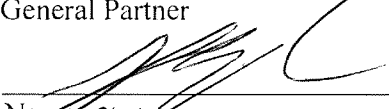
**CERBERUS NJ CREDIT OPPORTUNITIES
FUND, L.P.**

By: Cerberus NJ Credit Opportunities GP,
LLC, its General Partner

By: 
Name: Philip Lindenbaum
Title: Managing Director

**CERBERUS LEVERED LOAN
OPPORTUNITIES FUND II, L.P.**

By: Cerberus Levered Opportunities II GP, its
General Partner

By: 
Name: Philip Lindenbaum
Title: Managing Director

ANNEX A

Schedules to the Financing Agreement

(To be attached)

Schedule P-1
Permitted Dispositions

- 1) Excess parcel of land located at 40 Adam Ferrie Place, Kitchener, Ontario N2E 2K6
- 2) Excess building located at 94 Concept Drive, Coldwater, MI 49036

Schedule R-1
Real Property Collateral

1. 800 South Fair Avenue, Benton Harbor, MI 49022
2. 802 Fellows Street, South Bend, IN 46601
3. 5136 27th Avenue, Rockford, IL 61109
4. 310 South Wolf Road, Northlake, IL 60164
5. 75 East Lake Street, Northlake, IL 60164
6. 5400 West Lake St, Melrose Park, IL 60160
7. 94 Concept Drive, Coldwater, MI 49036
8. 118 Access Road, St. Mary's, PA 15857
9. 60 Steckle Place, Kitchener, Ontario N2E 2C3
10. 40 Adam Ferrie Place, Kitchener, Ontario N2E 2K6
11. 1733 Lauder Road, Houston, TX 77039 ⁽¹⁾
12. 1833 Lauder Road, Houston, TX 77039 ⁽¹⁾

(1) Properties to be sold to AIC Ventures in conjunction with closing.

Schedule 1.01
Cost Saving Items

Electricity savings to be realized in the four Chicago-area facilities related to the new Chicago electricity contract scheduled to begin on January 1, 2013

Savings associated with the new union contract in the Kitchener, Ontario facility related to the production of the facility's racking requirements

**Schedule 6.01(e)
Subsidiaries**

<u>Subsidiary</u>	<u>Jurisdiction of Organization</u>	<u>Ownership</u>
BWT LLC	Delaware	100% owned by BWT Holdings LLC
Harbor Metals LLC	Delaware	100% owned by BWT LLC
Benton Harbor LLC	Delaware	100% owned by Harbor Metals LLC
Hi-Temp LLC	Delaware	100% owned by BWT LLC
Hi-Temp Northlake LLC	Delaware	100% owned by Hi-Temp LLC
Brazing Concepts LLC	Delaware	100% owned by BWT LLC
PIHT LLC	Delaware	100% owned by BWT LLC
B&W Heat Treating LLC	Delaware	100% owned by BWT LLC
B&W Canada LLC	Delaware	100% owned by B&W Heat Treating LLC
Saginaw LLC	Delaware	100% owned by B&W Heat Treating LLC
B&W Heat Treating Canada ULC	Alberta, Canada	100% owned by B&W Canada LLC
SWHT LLC	Delaware	100% owned by BWT LLC
Texas Energy Labs LLC	Delaware	100% owned by BWT LLC

Schedule 6.01(f)
Litigation; Commercial Tort Claims

None.

Schedule 6.01(i)
ERISA

None.

Schedule 6.01(l)
Nature of Business

Each Loan Party is directly or indirectly engaged in the business of (a) providing heat treating and thermal processing services in which customer-owned metal parts are exposed to precise temperatures, atmospheres, quenchant, and other conditions to improve the metals' mechanical properties, durability, and wear resistance and activities related or incidental thereto, (b) providing metallurgical and mechanical lab testing services, and (c) maintaining its existence and owning the equity interests, directly and indirectly, of its Subsidiaries, if any, and maintaining the existence of any other Subsidiary and activities related or incidental thereto.

**Schedule 6.01(o)
Real Property**

<u>Company</u>	<u>Location</u>	<u>Leasehold or Fee</u>	<u>Lease Term</u>
BWT LLC	201 Brookfield Parkway, Suite 102, Greenville, SC 29607	Leasehold*	72 month lease commencing July 1, 2010 and ending June 30, 2016; Base rent of \$115,839 for the 12 months ended June 30, 2012; Base rent of \$118,722 for the 12 months ended June 30, 2013;
Benton Harbor LLC	800 South Fair Avenue, Benton Harbor, MI 49022	Fee	N/A
Harbor Metals LLC	802 Fellows Street, South Bend, IN 46601	Fee	N/A
Hi-Temp LLC	5136 27th Avenue, Rockford, IL 61109	Fee	N/A
Hi-Temp Northlake LLC	310 South Wolf Road, Northlake, IL 60164	Fee	N/A
Hi-Temp Northlake LLC	75 East Lake Street, Northlake, IL 60164	Fee	N/A
Hi-Temp Northlake LLC	5400 West Lake St, Melrose Park, IL 60160	Fee	N/A
Brazing Concepts LLC	94 Concept Drive, Coldwater, MI 49036	Fee	N/A
PIHT LLC	118 Access Road, St. Mary's, PA 15857	Fee	N/A
Saginaw LLC	2240 Veterans Memorial Parkway, Saginaw, MI 48601	Leasehold	120 month lease commencing April 15, 2004 and ending April 13, 2014; Tenant has right to extend the lease for (3) three, (5) five year periods at the same base rent Base rent of \$339,000

			for the last 12 months
B&W Heat Treating Canada ULC	60 Steckle Place, Kitchener, Ontario N2E 2C3	Fee	N/A
B&W Heat Treating Canada ULC	40 Adam Ferrie Place, Kitchener, Ontario N2E 2K6	Fee	N/A
SWHT LLC / Texas Energy Labs LLC	1833 Lauder Road Houston, TX 77039 1733 Lauder Road Houston, TX 77039	Leasehold	240 months commencing January 1, 2013 and ending December 31, 2032 Base rent of \$485,000

*Landlord's consent to assignment required.

Schedule 6.01(r)
Environmental Matters

None.

Schedule 6.01(s)
Insurance

<u>POLICY TYPE</u>	<u>TERM</u>	<u>INSURER</u>	<u>PREMIUMS</u>	<u>COVERAGE LIMITS</u>	<u>DEDUCTIBLE /SELF INSURED RETENTION</u>
Workers Compensation	TBD	Wesco/Technology Insurance Co. (AmTrust)	\$593,247 includes surcharge	Statutory	Nil
Employers Liability	TBD	Wesco/Technology Insurance Co. (AmTrust)	Included with WC	\$1,000,000	Nil
U.S. General/Products Liability	TBD	C.N.A.	\$88,330 excludes taxes and TRIA	\$1,000,000 per Occ. / \$2,000,000 General Agg., \$2,000,000 Products Agg.	Nil
Canada General/Products Liability	TBD	Aviva / Zurich / Hanover / Economical	\$15,000 excludes local taxes, if any	\$2,000,000 per Occ. / \$4,000,000 General Agg., \$2,000,000 Products Agg.	Nil
Auto Liability	TBD	Wesco Insurance Co. (AmTrust)	\$34,956 includes surcharge	\$1,000,000 Combined Single Limit	Nil

Foreign Liability	TBD	ACE	\$2,500	GL = \$1,000,000 per Occ. / \$2,000,000 Gen. Agg., \$2,000,000 Products Agg. Auto - \$1,000,000 Combined Single Limit	Nil
Umbrella/Excess Liability	TBD	Chartis	\$123,900	\$25,000,000 per Occ. & Aggregate	\$10,000, except TRIA = \$1,000,000
Aircraft Products Liability ⁽¹⁾	TBD	Chartis	\$23,000 excludes war and TRIA	\$50,000,000	Nil
U.S. Property	TBD	Travelers	\$120,298 excludes TRIA	\$50,000,000 Loss Limit Per Occ. Flood (non A & V Zones) = \$25,000,000 Agg. Earthquake (non-High Hazard) = \$25,000,000 Agg.	\$50,000 Flood & Earthquake = \$100,000
Canada Property	TBD	Travelers	\$22,664	\$19,916,475 Loss Limit Per Occ. Flood and Earthquake Agg. = \$10,000,000	\$50,000 Flood & Earthquake = \$100,000

D&O, EPL, Fiduciary Liability	TBD	Chartis	\$25,500 excludes taxes and fees	\$5,000,000 per claim/aggregate shared D&O/EPL plus \$2,000,000 per claim/aggregate Fiduciary Liability	\$25,000 D&O and EPL Nil for Fiduciary Liability
Crime	TBD	Chartis	\$4,195	\$3,000,000 per single loss	\$15,000
Special Crime ⁽¹⁾	TBD	Liberty	\$1,547 includes TRIA	\$1,000,000 each insured event	Nil

Note: Policy #'s to be provided upon binding insurance policies at closing.

(1) Premium, limit and/or term will depend on final option chosen to bind

With respect to SWHT LLC and Texas Energy Labs LLC:

<u>POLICY TYPE</u>	<u>TERM</u>	<u>INSURER</u>	<u>PREMIUMS*</u>	<u>COVERAGE LIMITS</u>	<u>DEDUCTIBLE /SELF INSURED RETENTION</u>
Workers Compensation	12/28/12 – 10/23/13	Texas Mutual Insurance Company	\$27,905	Statutory	Nil
Employers Liability	12/28/12 – 10/23/13	Texas Mutual Insurance Company	Included with WC	\$1,000,000	Nil

U.S. General/Products Liability	12/28/12 – 10/23/13	C.N.A.	\$6,785	\$1,000,000 per Occ. / \$2,000,000 General Agg., \$2,000,000 Products Agg.	Nil
Auto Liability	12/28/12 – 10/23/13	Wesco Insurance Co. (AmTrust)	\$8,716	\$1,000,000 Combined Single Limit	Nil
Foreign Liability	12/28/12 – 10/23/13	ACE	No charge	GL = \$1,000,000 per Occ. / \$2,000,000 Gen. Agg., \$2,000,000 Products Agg. Auto - \$1,000,000 Combined Single Limit	Nil
Umbrella/Excess Liability	12/28/12 – 10/23/13	Chartis	\$8,635	\$25,000,000 per Occ. & Aggregate	\$10,000, except TRIA = \$1,000,000
Aircraft Products Liability	12/28/12 – 10/23/13	Chartis	No charge	\$50,000,000	Nil
U.S. Property	12/28/12 – 10/23/13	Travelers	\$10,370	\$50,000,000 Loss Limit Per Occ. Flood (non A & V Zones) = \$25,000,000 Agg. Earthquake (non-High Hazard) = \$25,000,000 Agg.	\$50,000 Flood & Earthquake = \$100,000

D&O, EPL, Fiduciary Liability	12/28/12 – 10/23/13	Chartis	No charge	\$5,000,000 per claim/aggregate shared D&O/EPL plus \$2,000,000 per claim/aggregate Fiduciary Liability	\$25,000 D&O and EPL Nil for Fiduciary Liability
Crime	12/28/12 – 10/23/13	Chartis	No charge	\$3,000,000 per single loss	\$15,000
Special Crime	12/28/12 – 10/23/13	Liberty	No charge	\$1,000,000 each insured event	Nil

* Premiums are reflective of annual roll-in pricing into the BWT insurance program that is effective 10/23/12 through 10/23/13, with the exception of the workers compensation that remains in effect with Texas Mutual.

**Schedule 6.01(v)
Bank Accounts**

<u>Loan Party</u>	<u>Bank or Broker</u>	<u>Address</u>	<u>Account No.</u>	<u>Account Type</u>
BWT LLC	KeyBank	66 South Pearl Street, Albany, New York 12207 (notice address from Control Agreement) 50 Fountain Plaza Buffalo, New York 14202 (branch address)	329681148063	Concentration
BWT LLC	KeyBank	66 South Pearl Street, Albany, New York 12207 (notice address from Control Agreement) 50 Fountain Plaza Buffalo, New York 14202 (branch address)	329681148014	Disbursement
BWT LLC	KeyBank	66 South Pearl Street, Albany, New York 12207 (notice address from Control Agreement) 50 Fountain Plaza Buffalo, New York 14202 (branch address)	350993201929	CDA

Harbor Metals LLC	KeyBank	66 South Pearl Street, Albany, New York 12207 (notice address from Control Agreement)	329681046879	Concentration*
		50 Fountain Plaza Buffalo, New York 14202 (branch address)		
Hi-Temp LLC	KeyBank	66 South Pearl Street, Albany, New York 12207 (notice address from Control Agreement)	329681046887	Concentration*
		50 Fountain Plaza Buffalo, New York 14202 (branch address)		
Brazing Concepts LLC	KeyBank	66 South Pearl Street, Albany, New York 12207 (notice address from Control Agreement)	329681046895	Concentration*
		50 Fountain Plaza Buffalo, New York 14202 (branch address)		

PIHT LLC	KeyBank	66 South Pearl Street, Albany, New York 12207 (notice address from Control Agreement) 50 Fountain Plaza Buffalo, New York 14202 (branch address)	329681046903	Concentration*
Saginaw LLC	KeyBank	66 South Pearl Street, Albany, New York 12207 (notice address from Control Agreement) 50 Fountain Plaza Buffalo, New York 14202 (branch address)	329681046937	Concentration*
B&W Heat Treating Canada ULC	TD Bank	TD Commercial Banking 2nd Floor, 381 King Street West Kitchener, Ontario, N2G 1B8	02752 5230662	CDN Account
B&W Heat Treating Canada ULC	TD Bank	TD Commercial Banking 2nd Floor, 381 King Street West Kitchener, Ontario, N2G 1B8	02752 7310334	USD Account

*To be closed within 60 days (or such later date as the Agent may reasonably agree) after closing of the First Amendment; it being understood that the failure to so close such accounts within such 60-day period (or such later period as the Agent may reasonably agree) shall constitute an automatic Event of Default.

**Schedule 6.01(w)
Intellectual Property**

Trademarks

<u>Company</u>	<u>Country</u>	<u>Trademark</u>	<u>Application or Registration No.</u>	<u>Filing Date</u>	<u>Registration Date</u>
BWT LLC	USA	TUFF-KOAT (with design)	2361629	December 16, 1998	June 27, 2000
BWT LLC	USA	TUFF-KOAT	2361630	December 16, 1998	June 27, 2000
BWT LLC	USA	HI-TEMP (logo)	1999470	July 6, 1995	September 10, 1996
BWT LLC	USA	HI-TEMP	1996774	July 6, 1995	August 27, 1996
BWT LLC	USA	HI-TEMP	1973794	July 6, 1995	May 14, 1996
B&W Heat Treating Canada ULC	Canada	B&W HEAT TREATING	TMA413867	January 21, 1991	June 25, 1993
Hi-Temp LLC	USA	BLUEWATER THERMAL SERVICES	Illinois State Reg. No. 101647	May 4, 2010	May 4, 2010

Patents:

None.

Domain Names:

bluewaterthermal.com
bluewaterthermal.org

bwheat.com
texasenergylab.com
<http://www.swheattreat.com>

Tradenames and Assumed Names:

Bluewater Thermal Solutions
Bluewater Thermal Services
Brazing Concepts Thermal Processing, LLC
Saginaw Heat Treating, LLC
Hi-Temp Thermal Processing LLC
Southwest Heat Treat
Southwest Heat Treat Services
Texas Energy Labs

The Companies own the Southwest Heat Treat logo (unregistered).

**Schedule 6.01(x)
Material Contracts**

None.

Schedule 6.01(dd)
Name; Jurisdiction of Organization; Organizational ID Number;
Chief Place of Business; Chief Executive Office; FEIN

<u>Loan Party</u>	<u>Jurisdiction of Organization</u>	<u>Organizational I.D.</u>	<u>Federal Employer Identification Number</u>	<u>Chief Executive Office / Chief Place of Business</u>	<u>Other Places of Business</u>
BWT LLC	Delaware	5214174	90-0888944	201 Brookfield Parkway, Suite 102, Greenville, SC 29607	1700 Broadway, 38 th Floor, New York NY 10019
BWT Holdings LLC	Delaware	5214173	36-4742528	201 Brookfield Parkway, Suite 102, Greenville, SC 29607	1700 Broadway, 38 th Floor, New York NY 10019
Benton Harbor LLC	Delaware	4163798	51-0582414	800 South Fair Avenue, Benton Harbor, MI 49022	201 Brookfield Parkway, Suite 102, Greenville, SC 29607
Harbor Metals LLC	Delaware	4163806	51-0582404	802 Fellows Street South Bend, IN 46601	201 Brookfield Parkway, Suite 102, Greenville, SC 29607

Hi-Temp LLC	Delaware	4163807	51-0582408	5136 27th Avenue, Rockford, IL 61109	201 Brookfield Parkway, Suite 102, Greenville, SC 29607
Hi-Temp Northlake LLC	Delaware	4165051	71-1005565	310 South Wolf Road, Northlake, IL 60164 75 East Lake Street, Northlake, IL 60164 5400 West Lake St, Melrose Park, IL 60160	201 Brookfield Parkway, Suite 102, Greenville, SC 29607
Brazing Concepts LLC	Delaware	4163803	51-0582409	94 Concept Drive, Coldwater, MI 49036	201 Brookfield Parkway, Suite 102, Greenville, SC 29607
PIHT LLC	Delaware	4163812	51-0582410	118 Access Road, St. Mary's, PA 15857	201 Brookfield Parkway, Suite 102, Greenville, SC 29607

B&W Heat Treating LLC	Delaware	4165055	71-1005552	201 Brookfield Parkway, Suite 102, Greenville, SC 29607	201 Brookfield Parkway, Suite 102, Greenville, SC 29607
B&W Canada LLC	Delaware	4175320	06-1783621	201 Brookfield Parkway, Suite 102, Greenville, SC 29607	201 Brookfield Parkway, Suite 102, Greenville, SC 29607
Saginaw LLC	Delaware	4163814	71-1005558	2240 Veterans Memorial Parkway, Saginaw, MI 48601	201 Brookfield Parkway, Suite 102, Greenville, SC 29607
B&W Heat Treating Canada ULC	Alberta, Canada	2012488850	N/A	60 Steckle Place, Kitchener, Ontario N2E 2C3	40 Adam Ferrie Place, Kitchener, Ontario N2E 2K6 201 Brookfield Parkway, Suite 102, Greenville, SC 29607
SWHT LLC	Delaware	5259070	46-1555864	1733 Lauder Road Houston, TX 77039	1733 Lauder Road Houston, TX 77039 201 Brookfield Parkway, Suite 102, Greenville, SC 29607

Texas Energy Labs LLC	Delaware	5259073	90-0917416	1833 Lauder Road Houston, TX 77039	1833 Lauder Road Houston, TX 77039 201 Brookfield Parkway, Suite 102, Greenville, SC 29607
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Note - B&W Heat Treating Canada ULC currently has its registered head office at 3700, 400 – 3rd Avenue S.W., Calgary AB T2P 4H2. This address is the office of Norton Rose, and certain corporate books and records of B&W Heat Treating Canada ULC are located here.

Schedule 6.01(ee)
Tradenames

Bluewater Thermal Solutions
Bluewater Thermal Services
Brazing Concepts Thermal Processing, LLC
Saginaw Heat Treating, LLC
Hi-Temp Thermal Processing LLC
Southwest Heat Treat
Southwest Heat Treat Services
Texas Energy Labs

**Schedule 6.01(ff)
Collateral Locations**

The locations listed on Schedules 6.01(o) and 6.01(dd).

Schedule 6.04
Canadian Employees; Canadian Plans

(a)

None.

(b)

1. B&W Heat Treating Canada ULC, CWIPP Union/Employer Plan, as amended by the Memorandum of Agreement between B&W Heat Treating Canada ULC and the National Automobile, Aerospace Transportation and General Workers Union of Canada and Its Local 1524, dated June 1, 2012.
2. B&W Heat Treating Canada ULC “Benefit Program” pursuant to the Collective Agreement between B&W Heat Treating Canada ULC and the National Automobile, Aerospace, Transportation and General Workers Union of Canada and Its Local 1524, April 1, 2012 to September 30, 2015, as amended by the Memorandum of Agreement between B&W Heat Treating Canada ULC and the National Automobile, Aerospace Transportation and General Workers Union of Canada and Its Local 1524, dated June 1, 2012.
3. Canada-Wide Industrial Pension Plan - Plan Document for employing units under contract with unions affiliated with the Canadian Labour Congress restated as of January 1, 2012.

(c)

None.

(d)

None.

(e)

None.

(f)

None.

(g)

1. Canada-Wide Industrial Pension Plan Document Union Employer Plan, as of December 31, 2010, by and between Canadian Auto Workers Local 1524 and B&W Heat Treating Canada ULC.
2. Canada-Wide Industrial Pension Plan, restated as of January 1, 2012, for employing units under contract with unions affiliated with the Canadian Labour Congress.
3. Collective Agreement between B&W Heat Treating Canada ULC and the National Automobile, Aerospace, Transportation and General Workers Union of Canada and its Local 1524 April 1, 2012 to September 30, 2015

(h)

None.

(i)

None.

Schedule 7.02(a)(i)
Existing Liens

1. Perpetual Easement Agreement, dated October 5, 2012, by and between Hi-Temp Northlake LLC and Union Pacific Railroad Company.
2. Plat of Easement for Water Main to the City of Northlake, Cook County, Illinois prepared by Dearborn Companies, Inc. as project number J11-086 and dated August 30, 2011.
3. Plat of Easement for Water Main to the Village of Melrose Park, Cook County, Illinois prepared by Dearborn Companies, Inc. as project number J11-086 and dated September 1, 2011.
4. Security interest in the lease deposit, tax escrow and escrow for insurance in favor of the landlord under the Lease Agreement by and among NL Ventures IX Lauder, L.L.C., as landlord, SWHT LLC and Texas Energy Labs LLC, as tenants.

Schedule 7.02(b)(i)
Existing Indebtedness

1. Amended and Restated Intercompany Note by B&W Heat Treating Canada ULC in favor of B&W Heat Treating LLC (as successor by assignment to Bluewater Thermal Processing, LLC) in the outstanding amount of CAD \$11,253,996
2. Subordinated Seller Note by BWT LLC in favor of Bluewater Thermal Processing, LLC in the outstanding amount of \$10,000,000

Schedule 7.02(e)
Existing Investments

1. BWT LLC is 100% owned by BWT Holdings LLC
2. Harbor Metals LLC is 100% owned by BWT LLC
3. Benton Harbor LLC is 100% owned by Harbor Metals LLC
4. Hi-Temp LLC is 100% owned by BWT LLC
5. Hi-Temp Northlake LLC is 100% owned by Hi-Temp LLC
6. Brazing Concepts LLC is 100% owned by BWT LLC
7. PIHT LLC is 100% owned by BWT LLC
8. B&W Heat Treating LLC is 100% owned by BWT LLC
9. B&W Canada LLC is 100% owned by B&W Heat Treating LLC
10. Saginaw LLC is 100% owned by B&W Heat Treating LLC
11. B&W Heat Treating Canada ULC is 100% owned by B&W Canada LLC
12. SWHT LLC is 100% owned by BWT LLC
13. Texas Energy Labs LLC is 100% owned by BWT LLC

Schedule 7.02(k)
Limitations on Dividends and Other Payment Restrictions

None.

Schedule 8.01
Blocked Account Banks and Blocked Accounts

<u>Loan Party</u>	<u>Bank or Broker</u>	<u>Account No.</u>	<u>Account Type</u>
BWT LLC	KeyBank National Association	329681148063	Concentration
BWT LLC	KeyBank	329681148014	Disbursement
BWT LLC	KeyBank	350993201929	CDA
B&W Heat Treating Canada ULC	TD Bank	02752 5230662	CDN Account
B&W Heat Treating Canada ULC	TD Bank	02752 7310334	USD Account

Schedule C-1
to
Financing Agreement

Lenders and Lenders' Commitments

<u>Lender</u>	<u>Revolving Loan Commitment</u>	<u>Term Loan A-1 Commitment¹</u>	<u>Term Loan A-2 Commitment²</u>	<u>Term Loan B Commitment³</u>	<u>Total Commitment</u>
Ableco Finance LLC	\$894,792.64	\$12,676,229.10	\$758,031.16	\$894,792.64	\$15,223,845.54
A5 Funding L.P.	\$675,127.27	\$9,564,302.97	\$2,119,954.51	\$675,127.27	\$13,034,512.02
Cerberus N-1 Funding LLC	\$541,508.36	\$7,671,368.46	\$0.00	\$541,508.36	\$8,754,385.18
Cerberus Onshore Levered II LLC	\$888,571.73	\$12,588,099.47	\$0.00	\$888,571.73	\$14,365,242.93
Cerberus Levered Loan Opportunities Fund II, L.P.	\$0.00	\$0.00	\$1,624,142.73	\$0.00	\$1,624,142.73
Cerberus NJ Credit Opportunities Fund, L.P.	\$0.00	\$0.00	\$647,871.60	\$0.00	\$647,871.60
Totals	\$3,000,000.00	\$42,500,000.00	\$5,150,000.00	\$3,000,000.00	\$53,650,000.00

¹ Term Loan A-1 balance as of First Amendment Effective Date.

² Term Loan A-2 as of First Amendment Effective Date.

³Term Loan B balance as of First Amendment Effective Date

EXECUTION VERSION

**SECOND AMENDMENT
AND WAIVER TO FINANCING AGREEMENT**

SECOND AMENDMENT AND WAIVER TO FINANCING AGREEMENT, dated as of November 8, 2013 (this "Amendment"), to the Financing Agreement, dated as of October 23, 2012, as amended by that certain First Amendment dated as of December 28, 2012 (as may be further amended, the "Financing Agreement"), by and among BWT LLC, a Delaware limited liability company (the "Parent"), Harbor Metals LLC, a Delaware limited liability company ("Harbor"), Benton Harbor LLC, a Delaware limited liability company ("Benton"), Hi-Temp LLC, a Delaware limited liability company ("Hi-Temp"), Hi-Temp Northlake LLC, a Delaware limited liability company ("Hi-Temp Northlake"), Brazing Concepts LLC, a Delaware limited liability company ("Brazing"), PIHT LLC, a Delaware limited liability company ("PIHT"), B&W Heat Treating LLC, a Delaware limited liability company ("B&W"), B&W Canada LLC, a Delaware limited liability company ("B&W Canada"), Saginaw LLC, a Delaware limited liability company ("Saginaw"), SWHT LLC, a Delaware limited liability company ("SWHT"), Texas Energy Labs LLC, a Delaware limited liability company ("Texas Energy"), each subsidiary of Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT and Texas Energy listed as a "US Borrower" on the signature pages thereto (together with Parent, Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT, Texas Energy and each other Person (as therein defined) that executes a joinder agreement and becomes a "US Borrower" thereunder, each a "US Borrower" and collectively, the "US Borrowers"), B&W Heat Treating Canada ULC, an Alberta unlimited liability company (the "Canadian Borrower"), together with the US Borrowers, collectively and, subject to Section 4.06 of the Financing Agreement, jointly and severally, the "Borrowers"), BWT Holdings LLC, a Delaware limited liability company (the "Ultimate Parent"), each subsidiary of the Ultimate Parent listed as a "Guarantor" on the signature pages thereto (together with the Ultimate Parent, the Canadian Borrower and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder or otherwise guaranties all or any part of the Obligations (as therein defined), each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), Cerberus Business Finance, LLC, a Delaware limited liability company ("Cerberus"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and Cerberus, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

WHEREAS, the Borrowers, Guarantors, Lenders and Agents have executed that certain Consent to Financing Agreement, dated as of October 7, 2013, pursuant to which the Lenders and the Agents consented to the Borrowers entering the Purchase and Sale Agreement, dated as of October 24, 2013, pursuant to which certain of the Borrowers agreed to sell to STORE Capital Acquisitions, LLC the Sale and Leaseback Real Property Collateral (as hereinafter defined) and STORE Capital Acquisitions, LLC will leaseback the Sale and Leaseback Real Property Collateral to Parent (such sale and leaseback hereinafter referred to as the "Sale Leaseback Transaction");

WHEREAS, Bluewater Thermal Processing, LLC (now known as Vigor Holdings LLC), the Borrowers, the Guarantors and the Agents have entered into that certain Subordination and Intercreditor Agreement, dated as of October 23, 2012 (the "Subordination Agreement") restricting payments made by the Borrowers in respect of the Subordinated Seller Note (as defined in the Subordination Agreement);

WHEREAS, the Agents are aware of certain Events of Default under the Credit Agreement caused by the Borrowers' failure to comply with certain financial covenants set forth in Section 7.03 of the Credit Agreement for the period ending on September 30, 2013 (collectively, the "Specified Events of Default");

WHEREAS, the Borrowers, the Ultimate Parent, the other Guarantors have informed the Agents and the Lenders that the Loan Parties wish to (i) consummate the Sale Leaseback Transaction, (ii) repurchase and cancel the Subordinated Seller Note, and (iii) waive the Specified Events of Default, and, in connection with the foregoing, the Loan Parties have requested that the Lenders and the Agents amend the Financing Agreement on the Second Amendment Effective Date (as hereinafter defined) to permit the Loan Parties to consummate the Sale Leaseback Transaction and repurchase and cancel the Subordinated Seller Note; and

WHEREAS, the Lenders and the Agents are willing to amend the Financing Agreement on the Second Amendment Effective Date and waive the Specified Events of Default, as set forth herein, subject to the terms and conditions set forth in this Amendment;

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the Borrowers, the Ultimate Parent, the other Guarantors, the Lenders and the Agents hereby agree that the Financing Agreement shall be amended as follows:

1. Definitions. All terms used herein that are defined in the Financing Agreement and not otherwise defined herein shall have the meanings assigned to them in the Financing Agreement.

2. Amendments.

(a) New Definitions. Section 1.01 of the Financing Agreement is hereby amended by adding the following definitions, in appropriate alphabetical order:

"Permitted Sale Leaseback Tax Distribution" means a one time cash distribution to Parent (which in turn may be distributed to the direct and indirect members of Parent) in an aggregate amount not to exceed \$3,100,000, which distribution relates to tax liabilities arising from consummation of the Sale Leaseback Transaction."

"Second Amendment" means the Second Amendment and Waiver to Financing Agreement, dated as of November 8, 2013, by and among the Borrowers, the Ultimate Parent, the other Guarantors, the Agents and the Lenders."

"Second Amendment Effective Date' means the date on which the Second Amendment shall become effective in accordance with its terms."

"Lessor' means STORE Capital Corporation or an affiliate thereof."

"Sale Leaseback Transaction' means a sale and leaseback transaction involving the Sale and Leaseback Real Property Collateral, pursuant to the Sale and Leaseback Transaction Agreement, so long as:

(a) no Default or Event of Default shall have occurred or be continuing or shall result from the consummation thereof;

(b) the applicable Loan Party receives Net Cash Proceeds therefor of not less than \$20,300,000; and

(c) the terms of the lease or agreement to lease with respect thereto, including, without limitation, payment of rent, are reasonably satisfactory to the Agents."

"Sale and Leaseback Real Property Collateral' means, the Real Property Collateral set forth on Schedule R-2."

"Sale and Leaseback Transaction Agreement' means that certain Purchase and Sale Agreement, dated as of October 24, 2013, by and among Lessor and the Loan Parties party thereto, as in effect on the Second Amendment Effective Date."

(b) Existing Definitions.

(i) The definition of "Excess Cash Flow" in Section 1.01 of the Financing Agreement is hereby amended by (1) deleting the "and" following clause (b)(x) thereof and inserting a "," in lieu thereof, (2) deleting the period at the end of clause (b)(xi) and inserting "," in lieu thereof, and (3) inserting "and (xii) closing and amendment fees payable on the Second Amendment Date (including any fees and expenses related to the Sale Leaseback Transaction)."

(ii) The definition of "Consolidated EBITDA" in Section 1.01 of the Financing Agreement is hereby amended by (1) deleting the "and" following clause (xv) thereof and inserting a "," in lieu thereof, (2) deleting the period at the end of clause (xvi) and inserting "," in lieu thereof, and (3) inserting "and (xvii) severance costs incurred by Ultimate Parent and its Subsidiaries in any amount not to exceed \$100,000 in the Fiscal Year ending on December 31, 2013."

(iii) The definition of "Consolidated Net Income" in Section 1.01 of the Financing Agreement is hereby amended by (1) deleting the "and" following clause (h) thereof and inserting a "," in lieu thereof, (2) deleting the period at the end of clause (i) and inserting ", and" in lieu thereof, and (3) inserting "and (j) any income that may arise from the

cancellation of the Seller Subordinated Note or gain attributable to the consummation of the Sale and Leaseback Transaction."

(iv) The definition of "Net Cash Proceeds" in Section 1.01 of the Financing Agreement is hereby amending and restating clause (a)(iv) thereof to read as follows:

"(iv) net income taxes (including any Permitted Tax Distributions and the Permitted Sale Leaseback Tax Distribution) to be paid in connection with such Disposition (after taking into account any tax credits or deductions and any tax sharing arrangements) and"

(v) The definition of "Permitted Dispositions" in Section 1.01 of the Financing Agreement is hereby amended by (1) deleting the "and" following clause (p) thereof and inserting a "," in lieu thereof, (2) deleting the period at the end of clause (q) and inserting ", and" in lieu thereof, and (3) inserting "and (r) the Sale and Leaseback Transaction."

(vi) The definition of "Permitted Indebtedness" in Section 1.01 of the Financing Agreement is hereby amended by amending and restating clause (c) thereof to read as follows:

"(c) Indebtedness evidenced by Capitalized Lease Obligations entered into in order to finance Capital Expenditures made by the Loan Parties in accordance with the provisions of Section 7.03(c), which Indebtedness, when aggregated with the principal amount of all Indebtedness incurred under this clause (c) and clause (d) of this definition, does not exceed \$1,300,000 at any time outstanding;"

(vii) The definition of "Consolidated Net Interest Expense" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Consolidated Net Interest Expense" means, with respect to any Person for any period, gross interest expense of such Person and its Subsidiaries payable in cash for such period determined on a consolidated basis and in accordance with GAAP (including, without limitation, interest expense paid to Affiliates (other than Loan Parties) of such Person), less (a) the sum of (i) interest income (including interest paid-in-kind) for such period and (ii) gains for such period on Hedging Agreements (to the extent not included in interest income above and to the extent not deducted in the calculation of gross interest expense), plus (b) the sum of (i) losses for such period on Hedging Agreements (to the extent not included in such gross interest expense) and (ii) the upfront costs or fees for such period associated with Hedging Agreements (to the extent not included in such gross interest expense), in each case, determined on a consolidated basis and in accordance with GAAP; provided, however, that, solely for purposes of calculating Fixed Charges, for the twelve months ending on December 31, 2013, March 31, 2014, June 30, 2014 and September 30, 2014, the Consolidated Net Interest Expense shall be \$3,200,000.

(c) Section 2.03(b) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(b) The outstanding principal of the Term Loan shall be repayable in equal quarterly installments, on the last Business Day of each March, June, September and December, in an amount equal to \$560,000 for the fiscal quarters ending on March 31, 2013 through and including the Final Maturity Date. Each amortization installment shall be applied first to the Term Loan A until paid in full and then to Term Loan B."

(d) Section 2.05(c)(ii) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(ii) Within 10 days of delivery to the Agents and the Lenders of audited annual financial statements pursuant to Section 7.01(a)(ii), commencing with the delivery to the Agents and the Lenders of the financial statements for the Fiscal Year ended December 31, 2012 (provided, that with respect to the year ended December 31, 2012, only for the period commencing with the Effective Date (after giving effect to the transactions consummated on the Effective Date) and ending on December 31, 2012) or, if such financial statements are not delivered to the Agents and the Lenders on the date such statements are required to be delivered pursuant to Section 7.01(a)(ii), 10 days after the date such statements are required to be delivered to the Agents and the Lenders pursuant to Section 7.01(a)(ii), the Borrower shall prepay the outstanding principal amount of the Term Loan in an amount equal to the result of (A) 50% of the Excess Cash Flow of the Ultimate Parent and its Subsidiaries for such Fiscal Year *minus* (B) 100% of all optional principal prepayments of the Term Loan made during such Fiscal Year in accordance with Section 2.05(b)(ii); provided, however, that with respect to the Fiscal Year ending on December 31, 2013, the Borrower shall prepay the outstanding principal amount of the Term Loan in an amount equal to the result of (A) 25% of the Excess Cash Flow of the Ultimate Parent and its Subsidiaries for such Fiscal Year *minus* (B) 100% of all optional principal prepayments of the Term Loan made during such Fiscal Year in accordance with Section 2.05(b)(ii)."

(e) Section 2.05(c)(iv) of the Financing Agreement is hereby amended by deleting the parenthetical contained therein and replacing it with "(other than a Permitted Disposition of the type described in clauses (a), (d), (e), (f), (g), (h), (i), (k), (l), (m), (o), (p), (q) and (r) of the definition of Permitted Dispositions)".

(f) Section 2.05(c) of the Financing Agreement is hereby amended by adding the following clause (vii):

"(vii) Immediately upon the consummation of the Sale and Leaseback Transaction, the Borrower shall use the Net Cash Proceeds of the Sale and Leaseback Transaction (which proceeds shall not be less than \$20,300,000) to prepay the outstanding principal of the Term Loan in an amount equal to 100% of the Net Cash Proceeds of the Sale and Leaseback Transaction minus \$5,000,000 of such proceeds

applied to effect the repurchase of the Seller Subordinated Note as permitted pursuant to Section 7.02(m)(ii)."

(g) Section 2.05(e) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(e) Interest and Fees. Any prepayment made pursuant to this Section 2.05 (excluding any prepayment arising from the consummation of the Sale Leaseback Transaction) shall be accompanied by the payment of accrued interest on the principal amount being prepaid to the date of prepayment, and if such prepayment would reduce the amount of the outstanding Loans to zero, such prepayment shall be accompanied by the payment of all fees accrued to such date pursuant to Section 2.06. In addition, the Borrower shall pay any Funding Losses related to any prepayment made pursuant to this Section 2.05."

(h) Section 7.02(f) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(f) Lease Obligations. Create, incur or suffer to exist, or permit any of its Subsidiaries to create, incur or suffer to exist, any obligations as lessee for the payment of rent for any real or personal property in connection with any sale and leaseback transaction (other than the Sale and Leaseback Transaction); provided that nothing herein shall restrict any Loan Party or any of its Subsidiaries' ability to create, incur or suffer to exist, any obligations as lessee for the payment of rent for any real property in the ordinary course of business."

(i) Section 7.02(e) of the Financing Agreement is hereby amended by (1) deleting the "and" following clause (xv) and inserting a "," in lieu thereof, (2) deleting the period at the end of clause (xvi) and inserting ",and" in lieu thereof, and (3) inserting "and (xvii) investments made in connection with the repurchase and cancellation of the Seller Subordinated Note in accordance with Section 7.02(m)(ii)."

(j) Section 7.02(h)(G) of the Financing Agreement is hereby amended and restated to read as follows:

"(G) each Borrower may pay (i) the Permitted Sale Leaseback Tax Distribution and (ii) Permitted Tax Distributions; provided, any dividend or distribution provided for by this clause (G)(ii) shall be permitted no earlier than 10 Business Days prior to the due date of such taxes under Applicable Law."

(k) Section 7.02(m)(ii) of the Financing Agreement is hereby amended and restated to read as follows:

"(ii) make any voluntary or optional payment (including, without limitation, any payment of interest in cash that, at the option of the issuer, may be paid in cash or in kind), prepayment, redemption, defeasance, sinking fund payment or other

acquisition for value of any of its or its Subsidiaries' Indebtedness (including, without limitation, by way of depositing money or securities with the trustee therefor before the date required for the purpose of paying any portion of such Indebtedness when due), provided, however, notwithstanding anything to the contrary in the Seller Subordination Agreement, the Parent may, on the Second Amendment Effective Date, repurchase and cancel the Seller Subordinated Note for up to \$6,000,000, utilizing \$5,000,000 of proceeds from the Sale and Leaseback Transaction and up to \$1,000,000 of the Borrower's Qualified Cash."

(l) Leverage Ratio. Section 7.03(a) of the Financing Agreement is hereby amended and restated to read as follows:

"(a) Leverage Ratio. Permit the Leverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be greater than the applicable ratio set forth below:

<u>Period Ending</u>	<u>Leverage Ratio</u>
December 31, 2013	2.87:1.00
March 31, 2014	3.25:1.00
June 30, 2014	3.40:1.00
September 30, 2014	3.14:1.00
December 31, 2014	2.67:1.00
March 31, 2015	2.43:1.00
June 30, 2015	2.21:1.00
September 30, 2015	2.05:1.00
December 31, 2015	2.00:1.00
March 31, 2016	2.00:1.00
June 30, 2016	2.00:1.00
September 30, 2016	2.00:1.00
December 31, 2016	2.00:1.00

March 30, 2017	2.00:1.00
June 30, 2017	2.00:1.00
September 30, 2017	2.00:1.00
December 31, 2017	2.00:1.00

(m) Fixed Charge Coverage Ratio. Section 7.03(b) of the Financing Agreement is hereby amended and restated to read as follows:

"(b) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be less than the amount set forth opposite such date:

<u>Period</u>	<u>Fixed Charge Coverage Ratio</u>
December 31, 2013	1.00:1.00
March 31, 2014	0.73:1.00
June 30, 2014	0.39:1.00
September 30, 2014	0.40:1.00
December 31, 2014	1.00:1.00
March 31, 2015	1.00:1.00
June 30, 2015	1.10:1.00
September 30, 2015	1.10:1.00
December 31, 2015	1.10:1.00
March 31, 2016	1.10:1.00
June 30, 2016	1.10:1.00

September 30, 2016	1.10:1.00
December 31, 2016	1.10:1.00
March 30, 2017	1.10:1.00
June 30, 2017	1.10:1.00
September 30, 2017	1.10:1.00
December 31, 2017	1.10:1.00

(n) Capital Expenditures. Section 7.03(c) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(c) Capital Expenditures. Make unfinanced Capital Expenditures in any Fiscal Year in excess of the amount set forth in the following table for the applicable period:

<u>Period</u>	<u>Capital Expenditures</u>
Fiscal Year ending December 31, 2013, and each Fiscal Year thereafter	\$6,150,000

provided, that, if the amount of the Capital Expenditures permitted to be made in any Fiscal Year as set forth in the above table is greater than the actual amount of such Capital Expenditures actually made in such Fiscal Year (such amount, the "Excess Amount"), then 50% of such Excess Amount (the "Carry Over Amount") applicable to one Fiscal Year may be carried forward to another Fiscal Year; provided, further, the Loan Parties may make unfinanced Capital Expenditures in each of Fiscal Years 2013 and 2014 in excess of the amounts set forth in the table above for each such Fiscal Year in connection with the "Saginaw Heads" project if such project is awarded to any Loan Party by GM and subject to the Agents' approval of the project in their reasonable discretion, so long as the aggregate amount of such additional unfinanced Capital Expenditures does not exceed \$1,000,000."

(o) TTM EBITDA. Section 7.03(d) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(d) TTM EBITDA. Permit TTM EBITDA of the Ultimate Parent and its Subsidiaries as of each date set forth below to be less than the amount set forth opposite such date:"

<u>Fiscal Quarter End</u>	<u>Consolidated EBITDA</u>
December 31, 2013	\$13,105,000
March 31, 2014	\$11,196,000
June 30, 2014	\$10,037,000
September 30, 2014	\$9,973,000
December 31, 2014	\$11,180,000
March 31, 2015	\$11,984,000
June 30, 2015	\$12,868,000
September 30, 2015	\$13,725,000
December 31, 2015	\$14,167,000
March 31, 2016	\$14,683,000
June 30, 2016	\$15,370,000
September 30, 2016	\$16,183,000
December 31, 2016 and each quarter thereafter	\$17,100,000

(p) Schedules. Schedule R-2 to the Financing Agreement is hereby added to the Financing Agreement in the form of Annex A to this Amendment and Schedule 6.01(ff) and Schedule 6.01(o) to the Financing Agreement is hereby amended by adding the locations listed on Annex B to this Amendment.

3. Waivers. Subject to the satisfaction of the conditions precedent in Section 5 hereof, the Required Lenders hereby waive the Events of Default that have occurred as a result of Borrowers' non-compliance with the following provisions of the Financing Agreement:

(a) Section 7.03(a) due to the failure of the Borrowers to maintain a Leverage Ratio of 2.875:1.00 for the fiscal quarter ending on September 30, 2013; and

(b) Section 7.03(d) due to the failure of the Borrowers to maintain a TTM EBITDA less than \$15,725,000 as of September 30, 2013.

(c) The waivers in this Section 3 shall be effective only in this specific instance and for the specific purpose set forth herein and do not allow for any other or further departure from the terms and conditions of the Credit Agreement or other Loan Document, which terms and conditions shall continue in full force and effect. The Required Lenders' granting of such waivers shall not be constituted as an indication that any future waiver of Section 7.03 of the Credit Agreement or any other provision of the Loan Documents will be consented to, it being understood that the granting or denying of any consent or waiver which may hereafter be requested by the Loan Parties remains in the sole and absolute discretion of the Required Lenders.

4. Representations and Warranties. Each Loan Party hereby represents and warrants to the Agents and the Lenders as follows:

(a) Representations and Warranties; No Event of Default. The representations and warranties herein, in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered by or on behalf of the Loan Parties to any Agent or any Lender pursuant to the Financing Agreement or any other Loan Document on or immediately prior to the Second Amendment Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date), and no Default or Event of Default has occurred and is continuing as of the Second Amendment Effective Date or would result from this Amendment becoming effective in accordance with its terms.

(b) Authorization, Etc. The execution and delivery by each Loan Party of this Amendment and each other Loan Document delivered and executed on the Second Amendment Date to which it is or will be a party, and the performance of the Financing Agreement, as amended hereby, (i) are within the power and authority of such Loan Party and have been duly authorized by all necessary action, (ii) do not and will not contravene any of its Governing Documents, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except (solely for the purposes of this subclause (iv)) to the extent that such default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to result in a Material Adverse Effect and (v) do not contravene any applicable Requirement of Law or any Contractual Obligation binding on or otherwise affecting it or any of its properties, except (solely for the purposes of this subclause (v)) to the extent it could not reasonably be expected to result in a Material Adverse Effect.

(c) Enforceability of Loan Documents. This Amendment is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by principles of equity.

5. Conditions to Effectiveness. This Amendment shall become effective only upon satisfaction in full (or waiver), in a manner reasonably satisfactory to the Agents, of the following conditions precedent (the first date upon which all such conditions shall have been satisfied being herein called the "Second Amendment Effective Date"):

(a) Payment of Fees, Etc. The Borrowers shall have paid on the date of this Amendment all fees, costs, expenses and taxes then payable pursuant to Section 2.06 or 12.04 of the Financing Agreement.

(b) Representations and Warranties. The representations and warranties contained in this Amendment and in Article VI of the Financing Agreement and in each other Loan Document shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the Second Amendment Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date).

(c) No Default; Event of Default. No Default or Event of Default shall have occurred and be continuing on the Second Amendment Effective Date or result from this Amendment becoming effective in accordance with its terms.

(d) Amendment Fee. The Borrowers shall have paid to the Administrative Agent, for the account of each Lender, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$1,243,000, which shall be deemed fully earned when paid.

(e) Delivery of Documents. The Collateral Agent shall have received on or before the Second Amendment Effective Date the following, each in form and substance reasonably satisfactory to the Collateral Agent and, unless indicated otherwise, dated the Second Amendment Effective Date:

(i) the Amendment, duly executed by the Loan Parties, each Agent and each Lender.

(f) Prepayment of the Term Loan. The Administrative Agent shall have received a prepayment of the Term Loan in an aggregate amount not less than \$15,300,000.

(g) Conditions Specific to Sale and Leaseback Transaction. The consummation of the Sale and Leaseback Transaction is subject to the following conditions:

(i) The Agents shall have received a copy of the Sale and Leaseback Transaction Agreement and each other document or instrument executed or delivered in connection therewith, certified by an Authorized Officer of Ultimate Parent as being a true and complete copy of each such agreement or instrument, the form and substance of which shall be satisfactory to the Collateral Agent.

(ii) The Collateral Agent shall have received Collateral Access Agreements in respect of any of the leased premises comprising Sale and Leaseback Real Property Collateral in favor of the Collateral Agent (for the benefit of the Lenders), in form and substance reasonably satisfactory to the Collateral Agent, and such other documents or instruments as the Collateral Agent may reasonably require in connection therewith.

(h) Material Adverse Effect. The Collateral Agent shall have determined, in its reasonable judgment, that no event or development shall have occurred since December 31, 2012, which could reasonably be expected to have a Material Adverse Effect.

6. Termination and Release. Subject to the (i) satisfaction of the conditions set forth in Section 5 hereof, and (ii) satisfaction of all of the closing conditions set forth in the Sale and Leaseback Transaction Agreement and the consummation of the Sale and Leaseback Transaction in accordance with the Sale and Leaseback Transaction Agreement (other than the waiver by the Borrowers of conditions that are not material or adverse to the interests of the Agents or the Lenders) (the conditions set forth in clauses (i) and (ii) are hereafter referred to as the "Release Conditions"), the Agents hereby agree as follows:

(a) upon satisfaction of the Release Conditions, any and all liens or other charges or encumbrances on, and all security interests in, the Sale and Leaseback Real Property Collateral in favor of the Agents and the Lenders arising under the Financing Agreement and the other Loan Documents, but excluding any liens or other charges or encumbrances on, and any security interests in, any assets of the Loan Parties other than the Sale and Leaseback Real Property Collateral in favor of the Agents and the Lenders, are automatically released and termination without any further action on the part of the Agents and the Lenders;

(b) upon satisfaction of the Release Conditions, the Collateral Agent authorizes the Borrowers and the Lessor to file (i) UCC-Financing Statement amendments in a form prepared by the Collateral Agent or approved in writing by the Collateral Agent for the limited purpose of releasing the Liens of the Agents and the Lenders on the Sale and Leaseback Real Property Collateral, and (ii) mortgage releases in a form prepared by the Collateral Agent or approved in writing by the Collateral Agent for the limited purpose of releasing the Liens of the Agents and the Lenders on the Sale and Leaseback Real Property Collateral, but, in each case of clauses (i) and (ii), without representation warranty or recourse of any kind to the Agents and the Lenders and at the sole cost and expense of the Borrowers; and

(c) the Collateral Agent will, at the reasonable request of the Borrowers, authorize and/or execute such additional instruments and other writings, and take such other actions as the Borrowers may reasonably request to effect or evidence, to the extent set forth herein, the termination of the liens and other charges and encumbrances on, and security interests in, the Sale and Leaseback Real Property Collateral, but at the sole cost and expense of the Borrowers and without representation, warranty or recourse of any kind to the Agents and the Lenders.

7. Termination of Seller Subordination Agreement. The Agents and Lenders hereby consent to the repurchase and cancellation of the Seller Subordinated Note in accordance with the terms of this Amendment and acknowledge that the Seller Subordination Agreement shall automatically terminate upon consummation of such repurchase and cancellation of the Seller Subordinated Note.

8. Continued Effectiveness of the Financing Agreement and Other Loan Documents. Each Loan Party hereby (i) acknowledges and consents to this Amendment, (ii) confirms and agrees that the Financing Agreement and each other Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the Second Amendment Effective Date all references in any such Loan Document to "the Financing Agreement", the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Financing Agreement shall mean the Financing Agreement as amended by this Amendment, and (iii) confirms and agrees that to the extent that any such Loan Document purports to assign or pledge to the Collateral Agent for the benefit of the Agents and the Lenders, or to grant to the Collateral Agent for the benefit of the Agents and the Lenders a security interest in or Lien on, any Collateral as security for the Obligations of the Loan Parties from time to time existing in respect of the Financing Agreement (as amended hereby) and the other Loan Documents, such pledge, assignment and/or grant of the security interest or Lien is hereby ratified and confirmed in all respects. This Agreement does not and shall not affect any of the obligations of the Loan Parties, other than as expressly provided herein, including, without limitation, the Loan Parties' obligations to repay the Loans in accordance with the terms of Financing Agreement, or the obligations of the Loan Parties under any Loan Document to which they are a party, all of which obligations shall remain in full force and effect. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agents or any Lender under the Financing Agreement or any other Loan Document, nor constitute a waiver of any provision of the Financing Agreement or any other Loan Document.

9. Release. Each Loan Party hereby acknowledges and agrees that: (a) neither it nor any of its Subsidiaries has any claim or cause of action against the Agents or any Lender (or any of their respective Affiliates, officers, directors, employees, attorneys, consultants or agents in their capacities for the Agents or any Lender) in connection with the Loan Documents and (b) the Agents and each Lender has heretofore properly performed and satisfied in a timely manner all of its obligations to the Loan Parties and their Subsidiaries under the Financing Agreement and the other Loan Documents that are required to have been performed

on or prior to the date hereof. Notwithstanding the foregoing, the Agents and the Lenders wish (and the Loan Parties agree) to eliminate any possibility that any past conditions, acts, omissions, events or circumstances would impair or otherwise adversely affect any of the Agents' and the Lenders' rights, interests, security and/or remedies under the Financing Agreement and the other Loan Documents. Accordingly, for and in consideration of the agreements contained in this Amendment and other good and valuable consideration, each Loan Party (for itself and its Subsidiaries and the successors, assigns, heirs and representatives of each of the foregoing) (collectively, the "Releasors") does hereby fully, finally, unconditionally and irrevocably release and forever discharge each Agent, each Lender and each of their respective Affiliates, officers, directors, employees, attorneys, consultants and agents in their capacities as an Agent or any Lender (collectively, the "Released Parties") from any and all debts, claims, obligations, damages, costs, attorneys' fees, suits, demands, liabilities, actions, proceedings and causes of action, in each case, whether known or unknown, contingent or fixed, direct or indirect, and of whatever nature or description, and whether in law or in equity, under contract, tort, statute or otherwise, which any Releasor has heretofore had or now or hereafter can, shall or may have against any Released Party by reason of any act, omission or thing whatsoever done or omitted to be done on or prior to the Second Amendment Effective Date directly arising out of, connected with or related to this Amendment, the Financing Agreement or any other Loan Document, or any act, event or transaction related or attendant thereto, or the agreements of any Agent or any Lender contained therein, or the possession, use, operation or control of any of the assets of any Loan Party, or the making of any Loans or other advances, or the management of such Loans or advances or the Collateral.

10. Reaffirmation. (a) Borrowers. Each Borrower hereby reaffirms its obligations under each Loan Document to which it is a party. The Borrowers hereby further ratify and reaffirm the validity and enforceability of all of the Liens and security interests heretofore granted, pursuant to and in connection with the Security Agreement or any other Loan Document to the Collateral Agent, on behalf and for the benefit of each Agent and each Lender, as collateral security for the obligations under the Loan Documents in accordance with their respective terms, and acknowledges that all of such Liens and security interests, and all collateral heretofore pledged as security for such obligations, continues to be and remain collateral for such obligations from and after the date hereof.

(b) Guarantor. Each Guarantor hereby (i) acknowledges and reaffirms all obligations owing by it to the Agents and Lenders under any Loan Document to which it is a party, (ii) none of the Loan Documents to which it is a party shall be impaired or otherwise affected by the execution of this Amendment or any other document or instrument delivered in connection herewith, (iii) ratifies and reaffirms the validity and enforceability of all of the Liens and security interests heretofore granted by it, pursuant to and in connection with the Security Agreement and any other Loan Document to which such Guarantor is a party, to the Collateral Agent, on behalf and for the benefit of the Agents and the Lenders, as collateral security for the Guaranteed Obligations of such Guarantor, and acknowledges that all of such Liens and security interests, and all collateral heretofore pledged as security for such obligations, continues to be and remain collateral for such obligations from and after the date hereof, and (iv) ratifies and confirms its consent to any previous amendments of the Financing Agreement and any previous

waivers granted with respect to the Financing Agreement. Although each of the Guarantors have been informed of the matters set forth herein and have acknowledged and agreed to same, each of the Guarantors understands that the Agents and the Lenders shall have no obligation to inform the Guarantors of such matters in the future or to seek the Guarantors' acknowledgement or agreement to future amendments, waivers, or modifications, and nothing herein shall create such a duty.

11. Miscellaneous.

(a) This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart of this Amendment.

(b) Section and paragraph headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

(c) This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

(d) Each Loan Party hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Financing Agreement. Accordingly, it shall be an Event of Default under the Financing Agreement if (i) any representation or warranty made by a Loan Party under or in connection with this Amendment shall have been untrue, false or misleading in any material respect when made, or (ii) after giving effect to any applicable grace periods set forth in the Loan Documents, any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Amendment.

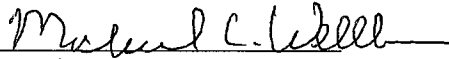
(e) Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date set forth on the first page hereof.

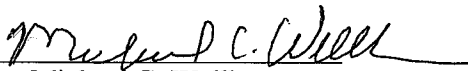
US BORROWERS:

BWT LLC

By: 
Name: Michael C. Wellham
Title: President and Chief Executive Officer

**HARBOR METALS LLC
BENTON HARBOR LLC
HI-TEMP LLC
HI-TEMP NORTHLAKE LLC
BRAZING CONCEPTS LLC
PIHT LLC
B&W HEAT TREATING LLC
B&W CANADA LLC
SAGINAW LLC
SWHT LLC
TEXAS ENERGY LABS LLC**

By: BWT LLC, as Manager

By: 
Name: Michael C. Wellham
Title: President and Chief Executive
Officer

**CANADIAN BORROWER AND
GUARANTOR:**

B&W HEAT TREATING CANADA ULC


By: Michael C. Wellham

Name: Michael C. Wellham

Title: President and Chief Executive Officer

GUARANTOR:

BWT HOLDINGS LLC

By: 
Name: Brandon Bethea
Title: President

**COLLATERAL AGENT AND
ADMINISTRATIVE AGENT:**

CERBERUS BUSINESS FINANCE, LLC


By: _____

Name: Daniel Wolf

Title: President


LENDERS:

ABLECO CAPITAL LLC

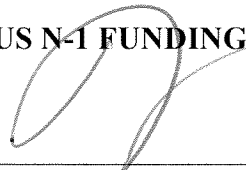
By: 
Name: Daniel Wolf
Title: Vice Chairman

A5 FUNDING L.P.


By: A5 Fund Management LLC,
its General Partner

By: 
Name: Daniel Wolf
Title: Vice President

CERBERUS N-1 FUNDING LLC

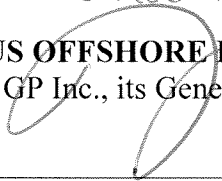
By: 
Name: Daniel Wolf
Title: Vice President

CERBERUS ONSHORE LEVERED II LLC

By: 
Name: Daniel Wolf
Title: Vice President

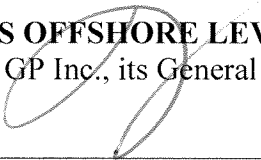
CERBERUS OFFSHORE LEVERED I L.P.

By: COL I GP Inc., its General Partner

By: 
Name: Daniel Wolf
Title: Vice President

CERBERUS OFFSHORE LEVERED II L.P.

By: COL II GP Inc., its General Partner

By: 
Name: Daniel Wolf
Title: Vice President

CERBERUS ASRS FUNDING LLC

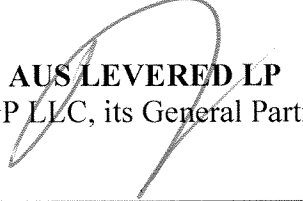
By:  _____

Name: Daniel Wolf

Title: Vice President

CERBERUS AUS LEVERED LP

By: CAL I GP LLC, its General Partner

By:  _____

Name: Daniel Wolf

Title: Vice President

ANNEX A**Schedule R-2****Sale and Leaseback Real Property Collateral**

1. 800 South Fair Avenue, Benton Harbor, MI 49022 (Berrien County)
2. 802 South Fellows Street, South Bend, IN 46601 (St. Joseph County)
3. 5136 27th Avenue, Rockford, IL 61109 (Winnebago County)
4. 310 South Wolf Road, Northlake, IL 60164 (Cook County)
5. 75 East Lake Street, Northlake, IL 60164 (Cook County)
6. 5400 West Lake St, Melrose Park, IL 60160 (Cook County)
7. 94 Concept Drive, Coldwater, MI 49036 (Branch County)
8. 118 Access Road, St. Mary's, PA 15857 (Elk County)
9. 20-60 Steckle Place, Kitchener, Ontario N2E 2C3

ANNEX B**Collateral Locations**

1. 6715 Tippecanoe Road, Suite C101, Canfield, OH 44406
2. 337 North Broad Street, Ridgway, PA 15853

EXECUTION VERSION

**THIRD AMENDMENT
TO FINANCING AGREEMENT AND WAIVER**

THIRD AMENDMENT AND WAIVER TO FINANCING AGREEMENT, dated as of April 28, 2014 (this "Amendment"), to the Financing Agreement, dated as of October 23, 2012, as amended by that certain First Amendment dated as of December 28, 2012, as further amended by that certain Second Amendment and Waiver dated as of November 8, 2013 (as may be further amended, the "Financing Agreement"), by and among BWT LLC, a Delaware limited liability company (the "Parent"), Harbor Metals LLC, a Delaware limited liability company ("Harbor"), Benton Harbor LLC, a Delaware limited liability company ("Benton"), Hi-Temp LLC, a Delaware limited liability company ("Hi-Temp"), Hi-Temp Northlake LLC, a Delaware limited liability company ("Hi-Temp Northlake"), Brazing Concepts LLC, a Delaware limited liability company ("Brazing"), PIHT LLC, a Delaware limited liability company ("PIHT"), B&W Heat Treating LLC, a Delaware limited liability company ("B&W"), B&W Canada LLC, a Delaware limited liability company ("B&W Canada"), Saginaw LLC, a Delaware limited liability company ("Saginaw"), SWHT LLC, a Delaware limited liability company ("SWHT"), Texas Energy Labs LLC, a Delaware limited liability company ("Texas Energy"), each subsidiary of Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT and Texas Energy listed as a "US Borrower" on the signature pages thereto (together with Parent, Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT, Texas Energy and each other Person (as therein defined) that executes a joinder agreement and becomes a "US Borrower" thereunder, each a "US Borrower" and collectively, the "US Borrowers"), B&W Heat Treating Canada ULC, an Alberta unlimited liability company (the "Canadian Borrower", together with the US Borrowers, collectively and, subject to Section 4.06 of the Financing Agreement, jointly and severally, the "Borrowers"), BWT Holdings LLC, a Delaware limited liability company (the "Ultimate Parent"), each subsidiary of the Ultimate Parent listed as a "Guarantor" on the signature pages thereto (together with the Ultimate Parent, the Canadian Borrower and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder or otherwise guaranties all or any part of the Obligations (as therein defined), each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), Cerberus Business Finance, LLC, a Delaware limited liability company ("Cerberus"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and Cerberus, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

WHEREAS, the Loan Parties, the Lenders and the Agents wish to amend certain terms and provisions of the Financing Agreement as set forth herein, subject to the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the Loan Parties, the Lenders and the Agents hereby agree that the Financing Agreement shall be amended as follows:

1. Definitions. All terms used herein that are defined in the Financing Agreement and not otherwise defined herein shall have the meanings assigned to them in the Financing Agreement.

2. Amendments.

(a) New Definitions. Section 1.01 of the Financing Agreement is hereby amended by adding the following definitions, in appropriate alphabetical order:

"Third Amendment" means the Third Amendment and Waiver to Financing Agreement, dated as of April 28, 2014, by and among the Borrowers, the Ultimate Parent, the other Guarantors, the Agents and the Lenders."

"Third Amendment Effective Date" means the date on which the Third Amendment shall become effective in accordance with its terms."

(b) Existing Definitions.

(i) The definition of "Applicable Prepayment Premium" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Applicable Prepayment Premium" means, as of any date of determination, with respect to any termination of this Agreement at any time prior to the Final Maturity Date, whether pursuant to Section 2.05, or for any other reason, including without limitation, (w) termination upon the election of the Required Lenders to terminate after the occurrence and during the continuation of an Event of Default, (x) foreclosure and sale of Collateral, (y) sale of the Collateral in any Insolvency Proceeding, or (z) restructure, reorganization, or compromise of the Obligations by the confirmation of a plan of reorganization, plan of arrangement or any other plan of compromise, restructure, or arrangement in any Insolvency Proceeding, in each case, during a period set forth below, an amount equal to (i) during the period of time from and after the Third Amendment Effective Date, up to and including the date that is the first anniversary of the Third Amendment Effective Date, 2.00%, times the principal amount of any prepayment of the Revolving Loan or any Term Loan, as applicable, on such date; (ii) during the period of time after the date that is the first anniversary of the Third Amendment Effective Date, up to and including the date that is the second anniversary of the Third Amendment Effective Date, 1.50%, times the principal amount of any prepayment of the Revolving Loan or Term Loan, as applicable, on such date; (iii) during the period of time after the date that is the second anniversary of the Third Amendment Effective Date, up to and including the date that is the third anniversary of the Third Amendment Effective Date, 0.50%, times the principal amount of any prepayment of the Revolving Loan or Term Loan, as applicable, on such date, and (iv) thereafter, zero; *provided*, that in connection with a refinancing of the Loans with a credit facility in

which Cerberus or its Affiliates are the lead lenders, no Applicable Prepayment Premium shall be due.

(ii) The definition of “Consolidated EBITDA” in Section 1.01 of the Financing Agreement is hereby amended by (1) deleting the “and” following clause (xvi) and inserting a “,” in lieu thereof, (2) changing the “\$100,000” in clause (xvii) to “\$400,000” and deleting the period at the end of clause (xvii) and inserting “and December 31, 2014,” in lieu thereof, and (3) inserting “recruitment and relocation costs and expenses with regard to one or more senior level executive officers from the Third Amendment Effective Date through the first anniversary of the Third Amendment Effective Date and (xviii) to the extent actually paid during such period, fees and expenses related to the Third Amendment.”

(c) Restricted Payments. Section 7.02(h)(iv) of the Financing Agreement is hereby amended by and restated in its entirety to read as follows:

"(iv) pay any management fees or any other fees or expenses (including the reimbursement thereof by any Loan Party or any of its Subsidiaries) pursuant to any management, consulting or other services agreement to any of the shareholders or other equityholders of any Loan Party or any of its Subsidiaries or other Affiliates, or to any other Subsidiaries or Affiliates of any Loan Party; provided, however, that (A) (x) the Loan Parties may pay Permitted Management Fees in cash in accordance with the Management Agreement so long as (1) no Default or Event of Default has occurred and is continuing or would result therefrom, (2) the sum of Availability plus Qualified Cash both before and after giving effect thereto is not less than \$1,500,000, (3) on the payment date of any Permitted Management Fee no Revolving Loan Obligations are outstanding for the ninety (90) day period prior to such payment date and no Revolving Loans are anticipated to be requested by the Loan Parties for the thirty (30) day period immediately after such payment date and (4) until the Leverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter is less than 3.00:1.00, only 33% of any Permitted Management Fee may be paid in cash, and (y) the Loan Parties may pay out-of-pocket expenses and indemnification payments pursuant to the Management Agreement; provided, that to the extent that any amounts permitted to be paid pursuant to clause (x) are voluntarily deferred or may not be paid as a result of the failure to satisfy the conditions herein, such fees shall accrue and may be payable without regard to the limitations in the definition of Permitted Management Fees when the conditions herein are satisfied, (B) the Parent and Borrowers may repurchase or redeem (or make distributions to Ultimate Parent to permit Ultimate Parent to repurchase or redeem) Equity Interests issued to employees of the Parent or any of its Subsidiaries (x) in an aggregate amount not to exceed \$250,000 per year, so long as no Default or Event of Default has occurred

and is continuing or would result therefrom and so long as no Revolving Loans are outstanding immediately after giving effect to such equity purchases and (y) by issuing Indebtedness pursuant to clause (m) of the definition of Permitted Indebtedness, in each case, pursuant to any employee stock ownership plan or otherwise upon approval by the Board of Ultimate Parent upon the termination, retirement or death of any such employee in accordance with the provisions of such plan or approval, (C) each Borrower or any of its Subsidiaries may make payments, distributions, dividends or advances to the Parent to enable the Parent to make payments, distributions, dividends or advances permitted under clauses (A) and (B) above, (D) each Borrower may pay dividends or make distributions to the Parent (and Parent may thereafter pay dividends or make distributions to Ultimate Parent) to enable the Parent and Ultimate Parent to pay customary expenses arising in the ordinary course of each of Ultimate Parent's and Parent's business solely as a result of its ownership and operation of the Parent, Borrower and its Subsidiaries and out-of-pocket expenses related to its compliance with or actions which are expressly permitted under the terms of this Agreement and the other Loan Documents, (E) any Subsidiary of any entity composing the Borrower may pay dividends or distributions to any other entity composing such Borrower, (F) the Parent may pay dividends in the form of common Equity Interests, and (G) each Borrower may pay Permitted Tax Distributions; provided, any dividend or distribution provided for by this clause (G) each Borrower may pay (i) the Permitted Sale Leaseback Tax Distribution and (ii) Permitted Tax Distributions; provided, any dividend or distribution provided for by this clause (G)(ii) shall be permitted no earlier than 10 Business Days prior to the due date of such taxes under Applicable Law.

(d) Leverage Ratio. Section 7.03(a) of the Financing Agreement is hereby amended and restated to read as follows:

"(a) Leverage Ratio. Permit the Leverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be greater than the applicable ratio set forth below:

<u>Period Ending</u>	<u>Leverage Ratio</u>
December 31, 2013	2.87:1.00
March 31, 2014	Not measured
June 30, 2014	4.24:1.00

September 30, 2014	4.68:1:00
December 31, 2014	4.27:1:00
March 31, 2015	3.88:1:00
June 30, 2015	3.60:1:00
September 30, 2015	3.35:1:00
December 31, 2015	3.03:1:00
March 31, 2016	2.79:1:00
June 30, 2016	2.60:1:00
September 30, 2016	2.44:1:00
December 31, 2016	2.30:1:00
March 30, 2017 and each quarter thereafter	2.25:1:00

(e) Fixed Charge Coverage Ratio. Section 7.03(b) of the Financing Agreement is hereby amended and restated to read as follows:

"(b) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be less than the amount set forth opposite such date:

<u>Period</u>	<u>Fixed Charge Coverage Ratio</u>
December 31, 2013	1.00:1.00
March 31, 2014	Not measured
June 30, 2014	0.10:1:00
September 30, 2014	0.20:1:00

December 31, 2014	0.40:1:00
March 31, 2015	0.60:1:00
June 30, 2015	0.60:1:00
September 30, 2015	0.60:1:00
December 31, 2015	0.60:1:00
March 31, 2016	0.70:1:00
June 30, 2016	0.80:1:00
September 30, 2016	0.90:1:00
December 31, 2016	1.00:1:00
March 30, 2017	1.00:1:00
June 30, 2017 and each quarter thereafter	1.10:1:00

(f) Capital Expenditures. Section 7.03(c) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(c) Capital Expenditures. Make unfinanced Capital Expenditures in any Fiscal Year in excess of the amount set forth in the following table for the applicable period:

<u>Period</u>	<u>Capital Expenditures</u>
Fiscal Year ending December 31, 2013, and each Fiscal Year thereafter	\$6,150

provided, that, if the amount of the Capital Expenditures permitted to be made in any Fiscal Year as set forth in the above table is greater than the actual amount of such Capital Expenditures actually made in such Fiscal Year (such amount, the "Excess Amount"), then 50% of such Excess Amount (the "Carry Over Amount") applicable to one Fiscal Year may be carried forward to another Fiscal Year; provided, further, the Loan Parties may make

unfinanced Capital Expenditures in each of Fiscal Years 2013 and 2014 in excess of the amounts set forth in the table above for each such Fiscal Year in connection with the "Saginaw Heads" project if such project is awarded to any Loan Party by GM and subject to the Agents' approval of the project in their reasonable discretion, so long as the aggregate amount of such additional unfinanced Capital Expenditures does not exceed \$1,000,000."

(g) TTM EBITDA. Section 7.03(d) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(d) TTM EBITDA. Permit TTM EBITDA of the Ultimate Parent and its Subsidiaries as of each date set forth below to be less than the amount set forth opposite such date:"

<u>Fiscal Quarter End</u>	<u>Consolidated EBITDA</u>
December 31, 2013	\$13,105,000
March 31, 2014	Not measured
June 30, 2014	\$7,132,000
September 30, 2014	\$6,333,000
December 31, 2014	\$6,808,000
March 31, 2015	\$7,350,000
June 30, 2015	\$7,860,000
September 30, 2015	\$8,262,000
December 31, 2015	\$8,864,000
March 31, 2016	\$9,422,000
June 30, 2016	\$9,820,000
September 30, 2016	\$10,224,000
December 31, 2016	\$10,617,000
March 31, 2017	\$10,974,000

June 30, 2017	\$11,334,000
September 30, 2017 and each quarter thereafter	\$11,642,000

3. Waivers. Subject to the satisfaction of the conditions precedent in Section 9 hereof, the Required Lenders hereby waive the Events of Default that have occurred as a result of Borrowers' non-compliance with the following provisions of the Financing Agreement:

(a) Section 7.03(a), Section 7.03(b) and Section 7.03(d) due to the Borrowers failure to maintain compliance with the financial covenants for the period ending March 31, 2014; and

(b) Section 2.05(d)(ii) due to the failure of the Borrowers to adhere to the provisions set forth therein with respect to the Extraordinary Receipts received on account of casualty events that (i) occurred at the Benton Harbor plant on February 1, 2014, and (ii) occurred at the Melrose Park plant on January 13, 2014.

(c) The waivers in this Section 3 shall be effective only in this specific instance and for the specific purpose set forth herein and do not allow for any other or further departure from the terms and conditions of the Credit Agreement or other Loan Document, which terms and conditions shall continue in full force and effect. The Required Lenders' granting of such waivers shall not be constituted as an indication that any future waiver of Section 2.05(d)(ii) or Section 7.03 of the Credit Agreement or any other provision of the Loan Documents will be consented to, it being understood that the granting or denying of any consent or waiver which may hereafter be requested by the Loan Parties remains in the sole and absolute discretion of the Required Lenders.

4. Update to Schedule 7.02(b). Schedule 7.02(b) of the Financing Agreement is hereby amended and restated by the schedule set forth on Exhibit A attached hereto.

5. Representations and Warranties. Each Loan Party hereby represents and warrants to the Agents and the Lenders as follows:

(a) Representations and Warranties; No Event of Default. The representations and warranties herein, in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered by or on behalf of the Loan Parties to any Agent or any Lender pursuant to the Financing Agreement or any other Loan Document on the Third Amendment Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such

qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date), and no Default or Event of Default has occurred and is continuing as of the Third Amendment Effective Date or would result from this Amendment becoming effective in accordance with its terms.

(b) Authorization, Etc. The execution and delivery by each Loan Party of this Amendment and each other Loan Document delivered and executed on the Third Amendment Date to which it is or will be a party, and the performance of the Financing Agreement, as amended hereby, (i) are within the power and authority of such Loan Party and have been duly authorized by all necessary action, (ii) do not and will not contravene any of its Governing Documents, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except (solely for the purposes of this subclause (iv)) to the extent that such default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to result in a Material Adverse Effect and (v) do not contravene any applicable Requirement of Law or any Contractual Obligation binding on or otherwise affecting it or any of its properties, except (solely for the purposes of this subclause (v)) to the extent it could not reasonably be expected to result in a Material Adverse Effect.

(c) Enforceability of Loan Documents. This Amendment is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by principles of equity.

6. Conditions to Effectiveness. This Amendment shall become effective only upon satisfaction in full (or waiver), in a manner reasonably satisfactory to the Agents, of the following conditions precedent (the first date upon which all such conditions shall have been satisfied being herein called the "Third Amendment Effective Date"):

(a) Payment of Fees, Etc. The Borrowers shall have paid on the date of this Amendment all fees, costs, expenses and taxes then payable pursuant to Section 2.06 or 12.04 of the Financing Agreement.

(b) Representations and Warranties. The representations and warranties contained in this Amendment and in Article VI of the Financing Agreement and in each other Loan Document shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the Third Amendment Effective Date as though made on and as of

such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date).

(c) No Default; Event of Default. After giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing on the Third Amendment Effective Date or result from this Amendment becoming effective in accordance with its terms.

(d) Amendment Fee. The Borrowers shall have paid to the Administrative Agent, for the account of each Lender, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$250,000, which shall be deemed fully earned when paid.

(e) Delivery of Documents. The Collateral Agent shall have received on or before the Third Amendment Effective Date the following, each in form and substance reasonably satisfactory to the Collateral Agent and, unless indicated otherwise, dated the Third Amendment Effective Date the Amendment, duly executed by the Loan Parties, each Agent and each Lender.

7. Continued Effectiveness of the Financing Agreement and Other Loan Documents. Each Loan Party hereby (i) acknowledges and consents to this Amendment, (ii) confirms and agrees that the Financing Agreement and each other Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the Third Amendment Effective Date all references in any such Loan Document to "the Financing Agreement", the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Financing Agreement shall mean the Financing Agreement as amended by this Amendment, and (iii) confirms and agrees that to the extent that any such Loan Document purports to assign or pledge to the Collateral Agent for the benefit of the Agents and the Lenders, or to grant to the Collateral Agent for the benefit of the Agents and the Lenders a security interest in or Lien on, any Collateral as security for the Obligations of the Loan Parties from time to time existing in respect of the Financing Agreement (as amended hereby) and the other Loan Documents, such pledge, assignment and/or grant of the security interest or Lien is hereby ratified and confirmed in all respects. This Agreement does not and shall not affect any of the obligations of the Loan Parties, other than as expressly provided herein, including, without limitation, the Loan Parties' obligations to repay the Loans in accordance with the terms of Financing Agreement, or the obligations of the Loan Parties under any Loan Document to which they are a party, all of which obligations shall remain in full force and effect. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agents or any Lender under the Financing Agreement or any other Loan Document, nor constitute a waiver of any provision of the Financing Agreement or any other Loan Document.

8. Release. Each Loan Party hereby acknowledges and agrees that: (a) neither it nor any of its Subsidiaries has any claim or cause of action against the Agents or any

Lender (or any of their respective Affiliates, officers, directors, employees, attorneys, consultants or agents in their capacities for the Agents or any Lender) in connection with the Loan Documents and (b) the Agents and each Lender has heretofore properly performed and satisfied in a timely manner all of its obligations to the Loan Parties and their Subsidiaries under the Financing Agreement and the other Loan Documents that are required to have been performed on or prior to the date hereof. Notwithstanding the foregoing, the Agents and the Lenders wish (and the Loan Parties agree) to eliminate any possibility that any past conditions, acts, omissions, events or circumstances would impair or otherwise adversely affect any of the Agents' and the Lenders' rights, interests, security and/or remedies under the Financing Agreement and the other Loan Documents. Accordingly, for and in consideration of the agreements contained in this Amendment and other good and valuable consideration, each Loan Party (for itself and its Subsidiaries and the successors, assigns, heirs and representatives of each of the foregoing) (collectively, the "Releasors") does hereby fully, finally, unconditionally and irrevocably release and forever discharge each Agent, each Lender and each of their respective Affiliates, officers, directors, employees, attorneys, consultants and agents in their capacities as an Agent or any Lender (collectively, the "Released Parties") from any and all debts, claims, obligations, damages, costs, attorneys' fees, suits, demands, liabilities, actions, proceedings and causes of action, in each case, whether known or unknown, contingent or fixed, direct or indirect, and of whatever nature or description, and whether in law or in equity, under contract, tort, statute or otherwise, which any Releasor has heretofore had or now or hereafter can, shall or may have against any Released Party by reason of any act, omission or thing whatsoever done or omitted to be done on or prior to the Third Amendment Effective Date directly arising out of, connected with or related to this Amendment, the Financing Agreement or any other Loan Document, or any act, event or transaction related or attendant thereto, or the agreements of any Agent or any Lender contained therein, or the possession, use, operation or control of any of the assets of any Loan Party, or the making of any Loans or other advances, or the management of such Loans or advances or the Collateral.

9. Miscellaneous.

(a) This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart of this Amendment.

(b) Section and paragraph headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

(c) This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

(d) Each Loan Party hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Financing Agreement. Accordingly, it

shall be an Event of Default under the Financing Agreement if (i) any representation or warranty made by a Loan Party under or in connection with this Amendment shall have been untrue, false or misleading in any material respect when made, or (ii) after giving effect to any applicable grace periods set forth in the Loan Documents, any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Amendment.

(e) Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date set forth on the first page hereof.

US BORROWERS:

BWT LLC

By: Keith Beasley
Name: Keith Beasley
Title: Chief Financial Officer

- HARBOR METALS LLC**
- BENTON HARBOR LLC**
- HI-TEMP LLC**
- HI-TEMP NORTHLAKE LLC**
- BRAZING CONCEPTS LLC**
- PIHT LLC**
- B&W HEAT TREATING LLC**
- B&W CANADA LLC**
- SAGINAW LLC**
- SWHT LLC**
- TEXAS ENERGY LABS LLC**

By: BWT LLC, as Manager

By: Keith Beasley
Name: Keith Beasley
Title: Chief Financial Officer

**CANADIAN BORROWER AND
GUARANTOR:**

B&W HEAT TREATING CANADA ULC

By: Keith Beasley
Name: Keith Beasley
Title: Chief Financial Officer

GUARANTOR:

BWT HOLDINGS LLC

By: 
Name: Brandon Bethea
Title: President

**COLLATERAL AGENT AND
ADMINISTRATIVE AGENT:**

CERBERUS BUSINESS FINANCE, LLC

By: _____
Name: Daniel Wolf
Title: President

LENDERS:

ABLECO CAPITAL LLC

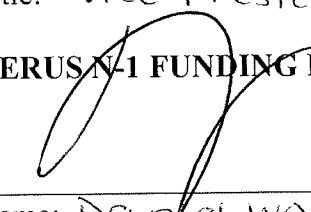
By: 
Name: Daniel wolf
Title: President

A5 FUNDING L.P.

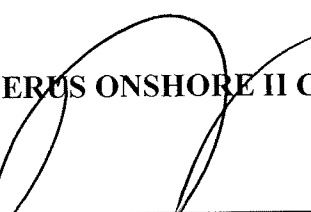
By: A5 Fund Management LLC,
its General Partner

By: 
Name: Daniel wolf
Title: Vice President

CERBERUS N-1 FUNDING LLC

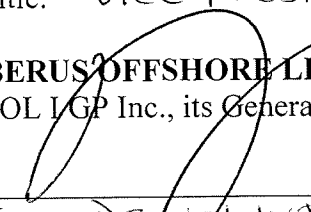
By: 
Name: Daniel wolf
Title: Vice President

CERBERUS ONSHORE II CLO LLC

By: 
Name: Daniel wolf
Title: Vice President

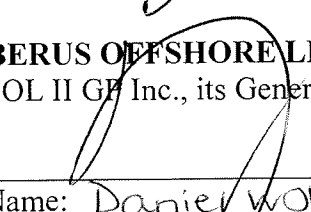
CERBERUS OFFSHORE LEVERED I L.P.

By: COL I GP Inc., its General Partner

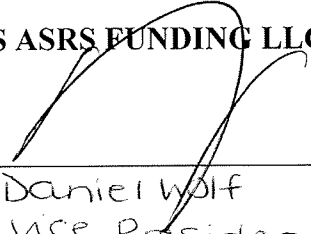
By: 
Name: Daniel wolf
Title: Vice President

CERBERUS OFFSHORE LEVERED II L.P.

By: COL II GP Inc., its General Partner

By: 
Name: Daniel wolf
Title: Vice President

CERBERUS ASRS FUNDING LLC

By: 
Name: Daniel Wolf
Title: vice President

CERBERUS AUS LEVERED LP

By: CAL I GP LLC, its General Partner

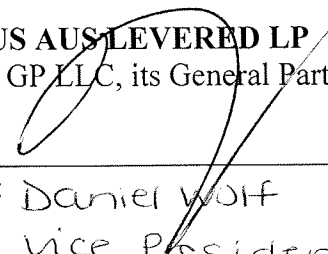
By: 
Name: Daniel Wolf
Title: vice President

Exhibit A

Schedule 7.02(b)(i)
Existing Indebtedness

1. Amended and Restated Intercompany Note by B&W Heat Treating Canada ULC in favor of B&W Heat Treating LLC (as successor by assignment to Bluewater Thermal Processing, LLC) in the outstanding amount of CAD \$11,253,996
2. Subordinated Seller Note by BWT LLC in favor of Bluewater Thermal Processing, LLC in the outstanding amount of \$10,000,000
3. Corporate Guaranty dated as of April 15, 2014 by BWT LLC in favor of Taylor-Winfield Technologies, Inc. relating to the unpaid balance of certain purchase orders owed by Bluewater Thermal Solutions – Saint Marys to Taylor-Winfield Technologies, Inc.

EXECUTION VERSION

FOURTH AMENDMENT TO FINANCING AGREEMENT

FOURTH AMENDMENT TO FINANCING AGREEMENT, dated as of December 16, 2014 (this "Amendment"), to the Financing Agreement, dated as of October 23, 2012, as amended by that certain First Amendment dated as of December 28, 2012, as further amended by that certain Second Amendment and Waiver dated as of November 8, 2013, as further amended by that certain Third Amendment and Waiver dated as of April 28, 2014 (as may be further amended, the "Financing Agreement"), by and among BWT LLC, a Delaware limited liability company (the "Parent"), Harbor Metals LLC, a Delaware limited liability company ("Harbor"), Benton Harbor LLC, a Delaware limited liability company ("Benton"), Hi-Temp LLC, a Delaware limited liability company ("Hi-Temp"), Hi-Temp Northlake LLC, a Delaware limited liability company ("Hi-Temp Northlake"), Brazing Concepts LLC, a Delaware limited liability company ("Brazing"), PIHT LLC, a Delaware limited liability company ("PIHT"), B&W Heat Treating LLC, a Delaware limited liability company ("B&W"), B&W Canada LLC, a Delaware limited liability company ("B&W Canada"), Saginaw LLC, a Delaware limited liability company ("Saginaw"), SWHT LLC, a Delaware limited liability company ("SWHT"), Texas Energy Labs LLC, a Delaware limited liability company ("Texas Energy"), each subsidiary of Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT and Texas Energy listed as a "US Borrower" on the signature pages thereto (together with Parent, Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT, Texas Energy and each other Person (as therein defined) that executes a joinder agreement and becomes a "US Borrower" thereunder, each a "US Borrower" and collectively, the "US Borrowers"), B&W Heat Treating Canada ULC, an Alberta unlimited liability company (the "Canadian Borrower", together with the US Borrowers, collectively and, subject to Section 4.06 of the Financing Agreement, jointly and severally, the "Borrowers"), BWT Holdings LLC, a Delaware limited liability company (the "Ultimate Parent"), each subsidiary of the Ultimate Parent listed as a "Guarantor" on the signature pages thereto (together with the Ultimate Parent, the Canadian Borrower and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder or otherwise guaranties all or any part of the Obligations (as therein defined), each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), Cerberus Business Finance, LLC, a Delaware limited liability company ("Cerberus"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and Cerberus, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

WHEREAS, the Loan Parties, the Lenders and the Agents wish to amend certain terms and provisions of the Financing Agreement as set forth herein, subject to the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the Loan Parties, the Lenders and the Agents hereby agree that the Financing Agreement shall be amended as follows:

1. Definitions. All terms used herein that are defined in the Financing Agreement and not otherwise defined herein shall have the meanings assigned to them in the Financing Agreement.

2. Amendments.

(a) New Definitions. Section 1.01 of the Financing Agreement is hereby amended by adding the following definitions, in appropriate alphabetical order:

"Fourth Amendment' means the Fourth Amendment to Financing Agreement, dated as of December 16, 2014, by and among the Borrowers, the Ultimate Parent, the other Guarantors, the Agents and the Lenders."

"Fourth Amendment Effective Date' means the date on which the Fourth Amendment shall become effective in accordance with its terms."

(b) Repayment of Loans. Section 2.03(b) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"The outstanding principal of the Term Loan shall be repayable in equal quarterly installments, on the last Business Day of each March, June, September and December, in an amount equal to \$672,000 for the fiscal quarters ending on June 30, 2015 through and including the Final Maturity Date. Each amortization installment shall be applied first to the Term Loan A until paid in full and then to Term Loan B."

3. Representations and Warranties. Each Loan Party hereby represents and warrants to the Agents and the Lenders as follows:

(a) Representations and Warranties; No Event of Default. The representations and warranties herein, in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered by or on behalf of the Loan Parties to any Agent or any Lender pursuant to the Financing Agreement or any other Loan Document on the Fourth Amendment Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date), and no Default or Event of Default has occurred and is continuing as of the Fourth Amendment Effective Date or would result from this Amendment becoming effective in accordance with its terms.

(b) Authorization, Etc. The execution and delivery by each Loan Party of this Amendment and each other Loan Document delivered and executed on the Fourth

Amendment Date to which it is or will be a party, and the performance of the Financing Agreement, as amended hereby, (i) are within the power and authority of such Loan Party and have been duly authorized by all necessary action, (ii) do not and will not contravene any of its Governing Documents, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except (solely for the purposes of this subclause (iv)) to the extent that such default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to result in a Material Adverse Effect and (v) do not contravene any applicable Requirement of Law or any Contractual Obligation binding on or otherwise affecting it or any of its properties, except (solely for the purposes of this subclause (v)) to the extent it could not reasonably be expected to result in a Material Adverse Effect.

(c) Enforceability of Loan Documents. This Amendment is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by principles of equity.

4. Conditions to Effectiveness. This Amendment shall become effective only upon satisfaction in full (or waiver), in a manner reasonably satisfactory to the Agents, of the following conditions precedent (the first date upon which all such conditions shall have been satisfied being herein called the "Fourth Amendment Effective Date"):

(a) Payment of Fees, Etc. The Borrowers shall have paid on the date of this Amendment all fees, costs, expenses and taxes then payable pursuant to Section 2.06 or 12.04 of the Financing Agreement.

(b) Representations and Warranties. The representations and warranties contained in this Amendment and in Article VI of the Financing Agreement and in each other Loan Document shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the Fourth Amendment Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date).

(c) No Default; Event of Default. After giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing on the Fourth Amendment Effective Date or result from this Amendment becoming effective in accordance with its terms.

(d) Amendment Fee. The Borrowers shall have paid to the Administrative Agent, for the account of each Lender, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$25,000, which shall be deemed fully earned when paid.

(e) Delivery of Documents. The Collateral Agent shall have received on or before the Fourth Amendment Effective Date the following, each in form and substance reasonably satisfactory to the Collateral Agent and, unless indicated otherwise, dated the Fourth Amendment Effective Date the Amendment, duly executed by the Loan Parties, each Agent and each Lender.

5. Continued Effectiveness of the Financing Agreement and Other Loan Documents. Each Loan Party hereby (i) acknowledges and consents to this Amendment, (ii) confirms and agrees that the Financing Agreement and each other Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the Fourth Amendment Effective Date all references in any such Loan Document to "the Financing Agreement", the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Financing Agreement shall mean the Financing Agreement as amended by this Amendment, and (iii) confirms and agrees that to the extent that any such Loan Document purports to assign or pledge to the Collateral Agent for the benefit of the Agents and the Lenders, or to grant to the Collateral Agent for the benefit of the Agents and the Lenders a security interest in or Lien on, any Collateral as security for the Obligations of the Loan Parties from time to time existing in respect of the Financing Agreement (as amended hereby) and the other Loan Documents, such pledge, assignment and/or grant of the security interest or Lien is hereby ratified and confirmed in all respects. This Agreement does not and shall not affect any of the obligations of the Loan Parties, other than as expressly provided herein, including, without limitation, the Loan Parties' obligations to repay the Loans in accordance with the terms of Financing Agreement, or the obligations of the Loan Parties under any Loan Document to which they are a party, all of which obligations shall remain in full force and effect. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agents or any Lender under the Financing Agreement or any other Loan Document, nor constitute a waiver of any provision of the Financing Agreement or any other Loan Document.

6. Release. Each Loan Party hereby acknowledges and agrees that: (a) neither it nor any of its Subsidiaries has any claim or cause of action against the Agents or any Lender (or any of their respective Affiliates, officers, directors, employees, attorneys, consultants or agents in their capacities for the Agents or any Lender) in connection with the Loan Documents and (b) the Agents and each Lender has heretofore properly performed and satisfied in a timely manner all of its obligations to the Loan Parties and their Subsidiaries under the Financing Agreement and the other Loan Documents that are required to have been performed on or prior to the date hereof. Notwithstanding the foregoing, the Agents and the Lenders wish (and the Loan Parties agree) to eliminate any possibility that any past conditions, acts, omissions, events or circumstances would impair or otherwise adversely affect any of the Agents' and the

Lenders' rights, interests, security and/or remedies under the Financing Agreement and the other Loan Documents. Accordingly, for and in consideration of the agreements contained in this Amendment and other good and valuable consideration, each Loan Party (for itself and its Subsidiaries and the successors, assigns, heirs and representatives of each of the foregoing) (collectively, the "Releasers") does hereby fully, finally, unconditionally and irrevocably release and forever discharge each Agent, each Lender and each of their respective Affiliates, officers, directors, employees, attorneys, consultants and agents in their capacities as an Agent or any Lender (collectively, the "Released Parties") from any and all debts, claims, obligations, damages, costs, attorneys' fees, suits, demands, liabilities, actions, proceedings and causes of action, in each case, whether known or unknown, contingent or fixed, direct or indirect, and of whatever nature or description, and whether in law or in equity, under contract, tort, statute or otherwise, which any Releaser has heretofore had or now or hereafter can, shall or may have against any Released Party by reason of any act, omission or thing whatsoever done or omitted to be done on or prior to the Fourth Amendment Effective Date directly arising out of, connected with or related to this Amendment, the Financing Agreement or any other Loan Document, or any act, event or transaction related or attendant thereto, or the agreements of any Agent or any Lender contained therein, or the possession, use, operation or control of any of the assets of any Loan Party, or the making of any Loans or other advances, or the management of such Loans or advances or the Collateral.

7. Miscellaneous.

(a) This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart of this Amendment.

(b) Section and paragraph headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

(c) This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

(d) Each Loan Party hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Financing Agreement. Accordingly, it shall be an Event of Default under the Financing Agreement if (i) any representation or warranty made by a Loan Party under or in connection with this Amendment shall have been untrue, false or misleading in any material respect when made, or (ii) after giving effect to any applicable grace periods set forth in the Loan Documents, any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Amendment.

(e) Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such

prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date set forth on the first page hereof.

US BORROWERS:

BWT LLC

By: 
Name: Eric Mannix
Title: Chief Financial Officer

- HARBOR METALS LLC**
- BENTON HARBOR LLC**
- HI-TEMP LLC**
- HI-TEMP NORTHLAKE LLC**
- BRAZING CONCEPTS LLC**
- PIHT LLC**
- B&W HEAT TREATING LLC**
- B&W CANADA LLC**
- SAGINAW LLC**
- SWHT LLC**
- TEXAS ENERGY LABS LLC**

By: BWT LLC, as Manager

By: 
Name: Eric Mannix
Title: Chief Financial Officer


**CANADIAN BORROWER AND
GUARANTOR:**

B&W HEAT TREATING CANADA ULC

By: 
Name: Eric Mannix
Title: Chief Financial Officer

GUARANTOR:

BWT HOLDINGS LLC

By: 
Name: Brandon Bethea
Title: President

**COLLATERAL AGENT AND
ADMINISTRATIVE AGENT:**

CERBERUS BUSINESS FINANCE, LLC

By: _____

Name: Daniel Wolf

Title: President

LENDERS:

ABLECO CAPITAL LLC

By: _____
Name: Daniel Wolf
Title: President

A5 FUNDING L.P.

By: A5 Fund Management LLC,
its General Partner

By: _____
Name: Daniel Wolf
Title: Vice President

CERBERUS NA FUNDING LLC

By: _____
Name: Daniel Wolf
Title: Vice President

CERBERUS ONSHORE II CLO LLC

By: _____
Name: Daniel Wolf
Title: Vice President

CERBERUS OFFSHORE LEVERED I L.P.

By: COL I GP Inc., its General Partner

By: _____
Name: Daniel Wolf
Title: Vice President

CERBERUS OFFSHORE LEVERED II L.P.

By: COL II GP Inc., its General Partner

By: _____
Name: Daniel Wolf
Title: Vice President

CERBERUS ASRS FUNDING LLC

By: _____
Name: Daniel Wolf
Title: vice president

CERBERUS AUS LEVERED II LP

By: CAL II GP LLC, its General Partner

By: _____
Name: Daniel Wolf
Title: vice president

CERBERUS LEVERED LOAN OPPORTUNITIES FUND II, L.P.

By: Cerberus Levered Opportunities II GP, LLC
Its: General Partner

By: _____
Name: Daniel Wolf
Title: senior Managing Director

EXECUTION VERSION

FIFTH AMENDMENT TO FINANCING AGREEMENT

FIFTH AMENDMENT TO FINANCING AGREEMENT, dated as of January 20, 2016, (this "Amendment"), to the Financing Agreement, dated as of October 23, 2012, as amended by that certain First Amendment dated as of December 28, 2012, as further amended by that certain Second Amendment and Waiver dated as of November 8, 2013, as further amended by that certain Third Amendment and Waiver dated as of April 28, 2014, as further amended by that certain Fourth Amendment dated as of December 16, 2014 (as may be further amended, the "Financing Agreement"), by and among BWT LLC, a Delaware limited liability company (the "Parent"), Harbor Metals LLC, a Delaware limited liability company ("Harbor"), Benton Harbor LLC, a Delaware limited liability company ("Benton"), Hi-Temp LLC, a Delaware limited liability company ("Hi-Temp"), Hi-Temp Northlake LLC, a Delaware limited liability company ("Hi-Temp Northlake"), Brazing Concepts LLC, a Delaware limited liability company ("Brazing"), PIHT LLC, a Delaware limited liability company ("PIHT"), B&W Heat Treating LLC, a Delaware limited liability company ("B&W"), B&W Canada LLC, a Delaware limited liability company ("B&W Canada"), Saginaw LLC, a Delaware limited liability company ("Saginaw"), SWHT LLC, a Delaware limited liability company ("SWHT"), Texas Energy Labs LLC, a Delaware limited liability company ("Texas Energy"), each subsidiary of Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT and Texas Energy listed as a "US Borrower" on the signature pages thereto (together with Parent, Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT, Texas Energy and each other Person (as therein defined) that executes a joinder agreement and becomes a "US Borrower" thereunder, each a "US Borrower" and collectively, the "US Borrowers"), B&W Heat Treating Canada ULC, an Alberta unlimited liability company (the "Canadian Borrower", together with the US Borrowers, collectively and, subject to Section 4.06 of the Financing Agreement, jointly and severally, the "Borrowers"), BWT Holdings LLC, a Delaware limited liability company (the "Ultimate Parent"), each subsidiary of the Ultimate Parent listed as a "Guarantor" on the signature pages thereto (together with the Ultimate Parent, the Canadian Borrower and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder or otherwise guaranties all or any part of the Obligations (as therein defined), each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), Cerberus Business Finance, LLC, a Delaware limited liability company ("Cerberus"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and Cerberus, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

WHEREAS, the Loan Parties, the Lenders and the Agents wish to amend certain terms and provisions of the Financing Agreement as set forth herein, subject to the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the Loan Parties, the Lenders and the Agents hereby agree that the Financing Agreement shall be amended as follows:

1. Definitions. All terms used herein that are defined in the Financing Agreement and not otherwise defined herein shall have the meanings assigned to them in the Financing Agreement.

2. Amendments.

(a) New Definitions. Section 1.01 of the Financing Agreement is hereby amended by adding the following definitions, in appropriate alphabetical order:

"Fifth Amendment" means the Fifth Amendment to Financing Agreement, dated as of January 20, 2016, by and among the Borrowers, the Ultimate Parent, the other Guarantors, the Agents and the Lenders."

"Fifth Amendment Effective Date" means the date on which the Fifth Amendment shall become effective in accordance with its terms."

(b) Financial Covenants.

(i) Section 7.03(a) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(a) Leverage Ratio. Permit the Leverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be greater than the applicable ratio set forth below:

<u>Period Ending</u>	<u>Leverage Ratio</u>
December 31, 2013	2.87:1.00
March 31, 2014	Not measured
June 30, 2014	4.24:1.00
September 30, 2014	4.68:1.00
December 31, 2014	4.27:1.00
March 31, 2015	3.88:1.00
June 30, 2015	3.60:1.00
September 30, 2015	3.35:1.00

December 31, 2015	3.03:1:00
March 31, 2016	4.00:1:00
June 30, 2016	3.60:1:00
September 30, 2016	3.44:1:00
December 31, 2016	3.25:1:00
March 30, 2017	3.00:1:00
June 30, 2017	2.75:1:00
September 30, 2017	2.50:1:00

(ii) Section 7.03(b) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(b) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be less than the amount set forth opposite such date:

<u>Period</u>	<u>Fixed Charge Coverage Ratio</u>
December 31, 2013	1.00:1:00
March 31, 2014	Not measured
June 30, 2014	0.10:1:00
September 30, 2014	0.20:1:00
December 31, 2014	0.40:1:00
March 31, 2015	0.60:1:00
June 30, 2015	0.60:1:00

September 30, 2015	0.60:1:00
December 31, 2015	0.60:1:00
March 31, 2016	0.65:1:00
June 30, 2016	0.70:1:00
September 30, 2016	0.75:1:00
December 31, 2016	0.80:1:00
March 30, 2017	0.85:1:00
June 30, 2017	0.90:1:00
September 30, 2017	1.00:1:00

(iii) Section 7.03(d) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(d) TTM EBITDA. Permit TTM EBITDA of the Ultimate Parent and its Subsidiaries as of each date set forth below to be less than the amount set forth opposite such date:"

<u>Fiscal Quarter End</u>	<u>Consolidated EBITDA</u>
December 31, 2013	\$13,105,000
March 31, 2014	Not measured
June 30, 2014	\$7,132,000
September 30, 2014	\$6,333,000
December 31, 2014	\$6,808,000
March 31, 2015	\$7,350,000
June 30, 2015	\$7,860,000

September 30, 2015	\$8,262,000
December 31, 2015	\$8,864,000
March 31, 2016	\$6,750,000
June 30, 2016	\$7,252,000
September 30, 2016	\$7,404,000
December 31, 2016	\$8,000,000
March 31, 2017	\$8,250,000
June 30, 2017	\$8,500,000
September 30, 2017	\$8,750,000

3. Representations and Warranties. Each Loan Party hereby represents and warrants to the Agents and the Lenders as follows:

(a) Representations and Warranties; No Event of Default. The representations and warranties herein, in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered by or on behalf of the Loan Parties to any Agent or any Lender pursuant to the Financing Agreement or any other Loan Document on the Fifth Amendment Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date), and no Default or Event of Default has occurred and is continuing as of the Fifth Amendment Effective Date or would result from this Amendment becoming effective in accordance with its terms.

(b) Authorization, Etc. The execution and delivery by each Loan Party of this Amendment and each other Loan Document delivered and executed on the Fifth Amendment Date to which it is or will be a party, and the performance of the Financing Agreement, as amended hereby, (i) are within the power and authority of such Loan Party and have been duly authorized by all necessary action, (ii) do not and will not contravene any of its Governing Documents, (iii) do not and will not result in or require the creation of any Lien (other

than pursuant to any Loan Document) upon or with respect to any of its properties, (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except (solely for the purposes of this subclause (iv)) to the extent that such default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to result in a Material Adverse Effect and (v) do not contravene any applicable Requirement of Law or any Contractual Obligation binding on or otherwise affecting it or any of its properties, except (solely for the purposes of this subclause (v)) to the extent it could not reasonably be expected to result in a Material Adverse Effect.

(c) Enforceability of Loan Documents. This Amendment is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by principles of equity.

4. Conditions to Effectiveness. This Amendment shall become effective only upon satisfaction in full (or waiver), in a manner reasonably satisfactory to the Agents, of the following conditions precedent (the first date upon which all such conditions shall have been satisfied being herein called the "Fifth Amendment Effective Date"):

(a) Payment of Fees, Etc. The Borrowers shall have paid on the date of this Amendment all fees, costs, expenses and taxes then payable pursuant to Section 2.06 or 12.04 of the Financing Agreement.

(b) Representations and Warranties. The representations and warranties contained in this Amendment and in Article VI of the Financing Agreement and in each other Loan Document shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the Fifth Amendment Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date).

(c) No Default; Event of Default. After giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing on the Fifth Amendment Effective Date or result from this Amendment becoming effective in accordance with its terms.

(d) Amendment Fee. The Borrowers shall have paid to the Administrative Agent, for the account of each Lender, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$100,000, which shall be deemed fully earned when paid.

(e) Delivery of Documents. The Collateral Agent shall have received on or before the Fifth Amendment Effective Date the following, each in form and substance reasonably satisfactory to the Collateral Agent and, unless indicated otherwise, dated the Fifth Amendment Effective Date the Amendment, duly executed by the Loan Parties, each Agent and each Lender.

5. Continued Effectiveness of the Financing Agreement and Other Loan Documents. Each Loan Party hereby (i) acknowledges and consents to this Amendment, (ii) confirms and agrees that the Financing Agreement and each other Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the Fifth Amendment Effective Date all references in any such Loan Document to "the Financing Agreement", the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Financing Agreement shall mean the Financing Agreement as amended by this Amendment, and (iii) confirms and agrees that to the extent that any such Loan Document purports to assign or pledge to the Collateral Agent for the benefit of the Agents and the Lenders, or to grant to the Collateral Agent for the benefit of the Agents and the Lenders a security interest in or Lien on, any Collateral as security for the Obligations of the Loan Parties from time to time existing in respect of the Financing Agreement (as amended hereby) and the other Loan Documents, such pledge, assignment and/or grant of the security interest or Lien is hereby ratified and confirmed in all respects. This Agreement does not and shall not affect any of the obligations of the Loan Parties, other than as expressly provided herein, including, without limitation, the Loan Parties' obligations to repay the Loans in accordance with the terms of Financing Agreement, or the obligations of the Loan Parties under any Loan Document to which they are a party, all of which obligations shall remain in full force and effect. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agents or any Lender under the Financing Agreement or any other Loan Document, nor constitute a waiver of any provision of the Financing Agreement or any other Loan Document.

6. Release. Each Loan Party hereby acknowledges and agrees that: (a) neither it nor any of its Subsidiaries has any claim or cause of action against the Agents or any Lender (or any of their respective Affiliates, officers, directors, employees, attorneys, consultants or agents in their capacities for the Agents or any Lender) in connection with the Loan Documents and (b) the Agents and each Lender has heretofore properly performed and satisfied in a timely manner all of its obligations to the Loan Parties and their Subsidiaries under the Financing Agreement and the other Loan Documents that are required to have been performed on or prior to the date hereof. Notwithstanding the foregoing, the Agents and the Lenders wish (and the Loan Parties agree) to eliminate any possibility that any past conditions, acts, omissions, events or circumstances would impair or otherwise adversely affect any of the Agents' and the Lenders' rights, interests, security and/or remedies under the Financing Agreement and the other Loan Documents. Accordingly, for and in consideration of the agreements contained in this Amendment and other good and valuable consideration, each Loan Party (for itself and its Subsidiaries and the successors, assigns, heirs and representatives of each of the foregoing)

(collectively, the "Releasers") does hereby fully, finally, unconditionally and irrevocably release and forever discharge each Agent, each Lender and each of their respective Affiliates, officers, directors, employees, attorneys, consultants and agents in their capacities as an Agent or any Lender (collectively, the "Released Parties") from any and all debts, claims, obligations, damages, costs, attorneys' fees, suits, demands, liabilities, actions, proceedings and causes of action, in each case, whether known or unknown, contingent or fixed, direct or indirect, and of whatever nature or description, and whether in law or in equity, under contract, tort, statute or otherwise, which any Releaser has heretofore had or now or hereafter can, shall or may have against any Released Party by reason of any act, omission or thing whatsoever done or omitted to be done on or prior to the Fifth Amendment Effective Date directly arising out of, connected with or related to this Amendment, the Financing Agreement or any other Loan Document, or any act, event or transaction related or attendant thereto, or the agreements of any Agent or any Lender contained therein, or the possession, use, operation or control of any of the assets of any Loan Party, or the making of any Loans or other advances, or the management of such Loans or advances or the Collateral.

7. Miscellaneous.

(a) This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart of this Amendment.

(b) Section and paragraph headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

(c) This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

(d) Each Loan Party hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Financing Agreement. Accordingly, it shall be an Event of Default under the Financing Agreement if (i) any representation or warranty made by a Loan Party under or in connection with this Amendment shall have been untrue, false or misleading in any material respect when made, or (ii) after giving effect to any applicable grace periods set forth in the Loan Documents, any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Amendment.

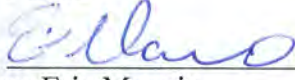
(e) Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date set forth on the first page hereof.


US BORROWERS:

BWT LLC

By: 
Name: Eric Mannix
Title: Chief Financial Officer


- HARBOR METALS LLC**
- BENTON HARBOR LLC**
- HI-TEMP LLC**
- HI-TEMP NORTHLAKE LLC**
- BRAZING CONCEPTS LLC**
- PIHT LLC**
- B&W HEAT TREATING LLC**
- B&W CANADA LLC**
- SAGINAW LLC**
- SWHT LLC**
- TEXAS ENERGY LABS LLC**

By: BWT LLC, as Manager

By: 
Name: Eric Mannix
Title: Chief Financial Officer

**CANADIAN BORROWER AND
GUARANTOR:**

B&W HEAT TREATING CANADA ULC

By: 
Name: Eric Mannix
Title: Chief Financial Officer


Name: Eric Mannix
Title: Chief Financial Officer

- HARBOR METALS LLC
- BENTON HARBOR LLC
- HI-TEMP LLC
- HI-TEMP NORTH LAKE LLC
- HEATING CONCEPTS LLC
- PHIT LLC
- B&W HEAT TREATING LLC
- B&W CANADA LLC
- ZAGINAW LLC
- SWIFT LLC
- TEXAS ENERGY FABR LLC
- BWT LLC, as Guarantor

By: 
Name: Eric Mannix
Title: Chief Financial Officer

GUARANTOR:

BWT HOLDINGS LLC

By: 
Name: Brandon Bethea
Title: President

**COLLATERAL AGENT AND
ADMINISTRATIVE AGENT:**

CERBERUS BUSINESS FINANCE, LLC

By: _____

Name: Daniel E. Wolf

Title: President

LENDERS:

ABLECO CAPITAL LLC

By: _____
Name: Daniel E. Wolf
Title: President

A5 FUNDING L.P.

By: A5 Fund Management LLC,
its General Partner

By: _____
Name: Daniel E. Wolf
Title: vice President

CERBERUS N-1 FUNDING LLC

By: _____
Name: Daniel E. Wolf
Title: vice President

CERBERUS ONSHORE II CLO LLC

By: _____
Name: Daniel E. Wolf
Title: vice President

CERBERUS OFFSHORE LEVERED LOAN OPPORTUNITIES MASTER FUND II, L.P.

By: Cerberus Levered Opportunities Master Fund II GP, LLC, its General Partner

By: _____
Name: Daniel E. Wolf
Title: vice President

CERBERUS OFFSHORE LEVERED II L.P.

By: COL II GP Inc., its General Partner

By: _____
Name: Daniel E. Wolf
Title: vice President

CERBERUS ASRS FUNDING LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS AUS LEVERED II LP

By: CAL II GP LLC, its General Partner

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS LEVERED LOAN OPPORTUNITIES FUND II, L.P.

By: Cerberus Levered Opportunities II GP, LLC, its General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS OFFSHORE LEVERED LOAN OPPORTUNITIES MASTER FUND, L.P.

By: Cerberus Levered Opportunities Master Fund GP, LLC, its General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS LEVERED LOAN OPPORTUNITIES FUND I, L.P.

By: Cerberus Levered Opportunities GP, LLC, its General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS NJ CREDIT OPPORTUNITIES FUND, L.P.

By: Cerberus NJ Credit Opportunities GP, LLC, its General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

EXECUTION VERSION

SIXTH AMENDMENT TO FINANCING AGREEMENT

SIXTH AMENDMENT TO FINANCING AGREEMENT, dated as of December 22, 2016, (this "Amendment"), to the Financing Agreement, dated as of October 23, 2012, as amended by that certain First Amendment dated as of December 28, 2012, as further amended by that certain Second Amendment and Waiver dated as of November 8, 2013, as further amended by that certain Third Amendment and Waiver dated as of April 28, 2014, as further amended by that certain Fourth Amendment dated as of December 16, 2014, as further amended by that certain Fifth Amendment dated as of January 20, 2016 (as may be further amended, the "Financing Agreement"), by and among BWT LLC, a Delaware limited liability company (the "Parent"), Harbor Metals LLC, a Delaware limited liability company ("Harbor"), Benton Harbor LLC, a Delaware limited liability company ("Benton"), Hi-Temp LLC, a Delaware limited liability company ("Hi-Temp"), Hi-Temp Northlake LLC, a Delaware limited liability company ("Hi-Temp Northlake"), Brazing Concepts LLC, a Delaware limited liability company ("Brazing"), PIHT LLC, a Delaware limited liability company ("PIHT"), B&W Heat Treating LLC, a Delaware limited liability company ("B&W"), B&W Canada LLC, a Delaware limited liability company ("B&W Canada"), Saginaw LLC, a Delaware limited liability company ("Saginaw"), SWHT LLC, a Delaware limited liability company ("SWHT"), Texas Energy Labs LLC, a Delaware limited liability company ("Texas Energy"), each subsidiary of Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT and Texas Energy listed as a "US Borrower" on the signature pages thereto (together with Parent, Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT, Texas Energy and each other Person (as therein defined) that executes a joinder agreement and becomes a "US Borrower" thereunder, each a "US Borrower" and collectively, the "US Borrowers"), B&W Heat Treating Canada ULC, an Alberta unlimited liability company (the "Canadian Borrower", together with the US Borrowers, collectively and, subject to Section 4.06 of the Financing Agreement, jointly and severally, the "Borrowers"), BWT Holdings LLC, a Delaware limited liability company (the "Ultimate Parent"), each subsidiary of the Ultimate Parent listed as a "Guarantor" on the signature pages thereto (together with the Ultimate Parent, the Canadian Borrower and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder or otherwise guaranties all or any part of the Obligations (as therein defined), each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), Cerberus Business Finance, LLC, a Delaware limited liability company ("Cerberus"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and Cerberus, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

WHEREAS, the Loan Parties, the Lenders and the Agents wish to amend certain terms and provisions of the Financing Agreement as set forth herein, subject to the terms and conditions set forth in this Amendment.

WHEREAS, the Loan Parties have requested that the Agent and Lenders waive compliance with certain financial covenants for the period ending December 31, 2016 and the

Lenders have agreed to waive compliance with such financial covenants, subject to the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the Loan Parties, the Lenders and the Agents hereby agree that the Financing Agreement shall be amended as follows:

1. Definitions. All terms used herein that are defined in the Financing Agreement and not otherwise defined herein shall have the meanings assigned to them in the Financing Agreement.

2. Amendments.

(a) New Definitions. Section 1.01 of the Financing Agreement is hereby amended by adding the following definitions, in appropriate alphabetical order:

"Sixth Amendment" means the Sixth Amendment to Financing Agreement, dated as of December 22, 2016, by and among the Borrowers, the Ultimate Parent, the other Guarantors, the Agents and the Lenders."

"Sixth Amendment Effective Date" means the date on which the Sixth Amendment shall become effective in accordance with its terms."

(b) Existing Definitions.

(i) The definition of "Applicable Prepayment Premium" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Applicable Prepayment Premium" means, as of any date of determination, with respect to any termination of this Agreement at any time prior to the Final Maturity Date, whether pursuant to Section 2.05, or for any other reason, including without limitation, (w) termination upon the election of the Required Lenders to terminate after the occurrence and during the continuation of an Event of Default, (x) foreclosure and sale of Collateral, (y) sale of the Collateral in any Insolvency Proceeding, or (z) restructure, reorganization, or compromise of the Obligations by the confirmation of a plan of reorganization, plan of arrangement or any other plan of compromise, restructure, or arrangement in any Insolvency Proceeding, in each case, during a period set forth below, an amount equal to (i) during the period of time from and after the Sixth Amendment Effective Date, up to and including the date that is the first anniversary of the Sixth Amendment Effective Date, 1.00%, times the principal amount of any prepayment of the Revolving Loan or any Term Loan, as applicable, on such date; and (ii) thereafter, zero; provided, that in connection with a refinancing of the Loans with a credit facility in which Cerberus or its Affiliates are the lead lenders, no Applicable Prepayment Premium shall be due.

(ii) The definition of "Final Maturity Date" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Final Maturity Date" means October 23, 2020 or such earlier date on which all or any portion of the Obligations shall become due and payable pursuant to the terms of Section 9.01.

(iii) Clause (d) of the definition of "Permitted Indebtedness" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(d) purchase money Indebtedness incurred (i) to enable a Loan Party to acquire Equipment in the ordinary course of its business, which Indebtedness, when aggregated with the principal amount of all Indebtedness incurred under clause (c) and this clause (d) of this definition, does not exceed \$400,000 at any time outstanding, and (ii) to finance Capital Expenditures made by the Loan Parties in Fiscal Year 2017 and 2018 for certain projects identified on Schedule E, in an aggregate amount not to exceed \$2,500,000 at any time;"

(c) Interest.

(i) Section 2.04(a) and (b) of the Financing Agreement are hereby amended and restated in its entirety to read as follows:

"(a) Revolving Loans. The Revolving Loan shall bear interest on the principal amount thereof from time to time outstanding, from the date of the making of such Loan until the date on which such principal amount is repaid in accordance herewith, as follows: (i) if the relevant Revolving Loan is a LIBOR Rate Loan, at a rate per annum equal to the LIBOR Rate plus 8.25 percentage points, and (ii) otherwise, at a rate per annum equal to the Reference Rate plus 7.75 percentage points; provided, however, that after the Sixth Amendment Effective Date, the foregoing interest margins shall reduce (one time) by 0.50% if the Leverage Ratio is equal to or less than 2.50 to 1.00 for any two consecutive fiscal quarters ending after the Sixth Amendment Effective Date; provided further, however, that if following such interest rate reduction, the Leverage Ratio exceeds 2.50 to 1.00 as of the end of any fiscal quarter, then the interest rate margins shall revert back to the original levels set forth in clause (i) and (ii) above.

(b) Term Loan. The Term Loan shall bear interest on the principal amount thereof from time to time outstanding, from the date of the making of such Loan until the date on which such principal amount is repaid in accordance herewith, as follows: (i) if the relevant portion of the Term Loan is a LIBOR Rate Loan, at a rate per annum equal to the

LIBOR Rate plus 8.25 percentage points, and (ii) otherwise, at a rate per annum equal to the Reference Rate plus 7.75 percentage points; provided, however, that after the Sixth Amendment Effective Date, the foregoing interest margins shall reduce (one time) by 0.50% if the Leverage Ratio is equal to or less than 2.50 to 1.00 for any two consecutive fiscal quarters ending after the Sixth Amendment Effective Date; provided further, however, that if following such interest rate reduction, the Leverage Ratio exceeds 2.50 to 1,00 as of the end of any fiscal quarter, then the interest rate margins shall revert back to the original levels set forth in clause (i) and (ii) above."

(d) Financial Covenants.

(i) Section 7.03(a) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(a) Leverage Ratio. Permit the Leverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be greater than the applicable ratio set forth below:

<u>Period Ending</u>	<u>Leverage Ratio</u>
March 30, 2017	3.75:1.00
June 30, 2017	3.65:1.00
September 30, 2017	3.60:1.00
December 31, 2017	3.50:1.00
March 30, 2018	3.40:1.00
June 30, 2018	3.25:1.00
September 30, 2018	3.00:1.00
December 31, 2018	2.80:1.00
March 30, 2019	2.75:1.00
June 30, 2019	2.50:1.00

September 30, 2019	2.50:1.00
December 31, 2019 and each fiscal quarter thereafter	2.50:1.00

(ii) Section 7.03(b) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(b) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter ending on the date set forth below to be less than the amount set forth opposite such date:

<u>Period</u>	<u>Fixed Charge Coverage Ratio</u>
March 30, 2017	0.75:1.00
June 30, 2017	0.75:1.00
September 30, 2017	0.75:1.00
December 31, 2017	0.75:1.00
March 30, 2018	0.75:1.00
June 30, 2018	0.75:1.00
September 30, 2018	0.80:1.00
December 31, 2018	0.85:1.00
March 30, 2019	0.95:1.00
June 30, 2019	1.00:1.00
September 30, 2019	1.00:1.00
December 31, 2019 and each fiscal quarter thereafter	1.10:1.00

(iii) Section 7.03(c) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(c) Capital Expenditures. Make unfinanced Capital Expenditures in any Fiscal Year in excess of the amount set forth in the following table for the applicable period:

<u>Period</u>	<u>Capital Expenditures</u>
Fiscal Year ending December 31, 2016, and each Fiscal Year thereafter	\$6,150,000

provided, further, if the amount of the Capital Expenditures permitted to be made in any Fiscal Year as set forth in the above table is greater than the actual amount of such Capital Expenditures actually made in such Fiscal Year (such amount, the "Excess Amount"), then 50% of such Excess Amount (the "Carry Over Amount") applicable to one Fiscal Year may be carried forward to another Fiscal Year."

(iv) Section 7.03(d) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(d) TTM EBITDA. Permit TTM EBITDA of the Ultimate Parent and its Subsidiaries as of each date set forth below to be less than the amount set forth opposite such date:"

<u>Fiscal Quarter End</u>	<u>Consolidated EBITDA</u>
March 31, 2017	\$6,900,000
June 30, 2017	\$6,900,000
September 30, 2017	\$6,900,000
December 31, 2017	\$6,900,000
March 31, 2018	\$7,000,000
June 30, 2018	\$7,150,000
September 30, 2018	\$7,250,000
December 31, 2018	\$7,500,000

March 31, 2019	\$7,750,000
June 30, 2019	\$8,000,000
September 30, 2019	\$8,000,000
December 31, 2019 and each fiscal quarter thereafter	\$8,250,000

(e) Schedules. Schedule E is added to the Financing Agreement, as set forth on Annex A attached hereto.

3. Representations and Warranties. Each Loan Party hereby represents and warrants to the Agents and the Lenders as follows:

(a) Representations and Warranties; No Event of Default. The representations and warranties herein, in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered by or on behalf of the Loan Parties to any Agent or any Lender pursuant to the Financing Agreement or any other Loan Document on the Sixth Amendment Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date), and no Default or Event of Default has occurred and is continuing as of the Sixth Amendment Effective Date or would result from this Amendment becoming effective in accordance with its terms.

(b) Authorization, Etc. The execution and delivery by each Loan Party of this Amendment and each other Loan Document delivered and executed on the Sixth Amendment Date to which it is or will be a party, and the performance of the Financing Agreement, as amended hereby, (i) are within the power and authority of such Loan Party and have been duly authorized by all necessary action, (ii) do not and will not contravene any of its Governing Documents, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except (solely for the purposes of this subclause (iv)) to the extent that such default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to result in a Material Adverse Effect and (v) do not contravene any applicable Requirement of Law or any Contractual Obligation binding on or otherwise affecting

it or any of its properties, except (solely for the purposes of this subclause (v)) to the extent it could not reasonably be expected to result in a Material Adverse Effect.

(c) Enforceability of Loan Documents. This Amendment is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by principles of equity.

4. Waiver of Compliance with Financial Covenants. Subject to the terms and conditions contained herein, the Agent and the Lenders hereby agree to waive compliance with the financial covenants set forth in Section 7.03 of the Financing Agreement, solely for the period ending December 31, 2016. This waiver shall be effective only in this specific instance and for the specific purpose for which it is given, and this waiver shall not entitle the Borrowers or any other Loan Party to any other or further waiver in any similar or other circumstances.

5. Conditions to Effectiveness. This Amendment shall become effective only upon satisfaction in full (or waiver), in a manner reasonably satisfactory to the Agents, of the following conditions precedent (the first date upon which all such conditions shall have been satisfied being herein called the "Sixth Amendment Effective Date"):

(a) Payment of Fees, Etc. The Borrowers shall have paid on the date of this Amendment all fees, costs, expenses and taxes then payable pursuant to Section 2.06 or 12.04 of the Financing Agreement.

(b) Representations and Warranties. The representations and warranties contained in this Amendment and in Article VI of the Financing Agreement and in each other Loan Document shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the Sixth Amendment Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date).

(c) No Default; Event of Default. After giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing on the Sixth Amendment Effective Date or result from this Amendment becoming effective in accordance with its terms.

(d) Amendment Fee. The Borrowers shall have paid to the Administrative Agent, for the account of each Lender, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$357,794, which shall be deemed fully earned when paid.

(e) Delivery of Documents. The Collateral Agent shall have received on or before the Sixth Amendment Effective Date the following, each in form and substance reasonably satisfactory to the Collateral Agent and, unless indicated otherwise, dated the Sixth Amendment Effective Date the Amendment, duly executed by the Loan Parties, each Agent and each Lender.

6. Continued Effectiveness of the Financing Agreement and Other Loan Documents. Each Loan Party hereby (i) acknowledges and consents to this Amendment, (ii) confirms and agrees that the Financing Agreement and each other Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the Sixth Amendment Effective Date all references in any such Loan Document to "the Financing Agreement", the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Financing Agreement shall mean the Financing Agreement as amended by this Amendment, and (iii) confirms and agrees that to the extent that any such Loan Document purports to assign or pledge to the Collateral Agent for the benefit of the Agents and the Lenders, or to grant to the Collateral Agent for the benefit of the Agents and the Lenders a security interest in or Lien on, any Collateral as security for the Obligations of the Loan Parties from time to time existing in respect of the Financing Agreement (as amended hereby) and the other Loan Documents, such pledge, assignment and/or grant of the security interest or Lien is hereby ratified and confirmed in all respects. This Agreement does not and shall not affect any of the obligations of the Loan Parties, other than as expressly provided herein, including, without limitation, the Loan Parties' obligations to repay the Loans in accordance with the terms of Financing Agreement, or the obligations of the Loan Parties under any Loan Document to which they are a party, all of which obligations shall remain in full force and effect. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agents or any Lender under the Financing Agreement or any other Loan Document, nor constitute a waiver of any provision of the Financing Agreement or any other Loan Document.

7. Release. Each Loan Party hereby acknowledges and agrees that: (a) neither it nor any of its Subsidiaries has any claim or cause of action against the Agents or any Lender (or any of their respective Affiliates, officers, directors, employees, attorneys, consultants or agents in their capacities for the Agents or any Lender) in connection with the Loan Documents and (b) the Agents and each Lender has heretofore properly performed and satisfied in a timely manner all of its obligations to the Loan Parties and their Subsidiaries under the Financing Agreement and the other Loan Documents that are required to have been performed on or prior to the date hereof. Notwithstanding the foregoing, the Agents and the Lenders wish (and the Loan Parties agree) to eliminate any possibility that any past conditions, acts, omissions, events or circumstances would impair or otherwise adversely affect any of the Agents' and the Lenders' rights, interests, security and/or remedies under the Financing Agreement and the other Loan Documents. Accordingly, for and in consideration of the agreements contained in this Amendment and other good and valuable consideration, each Loan Party (for itself and its Subsidiaries and the successors, assigns, heirs and representatives of each of the foregoing)

(collectively, the "Releasers") does hereby fully, finally, unconditionally and irrevocably release and forever discharge each Agent, each Lender and each of their respective Affiliates, officers, directors, employees, attorneys, consultants and agents in their capacities as an Agent or any Lender (collectively, the "Released Parties") from any and all debts, claims, obligations, damages, costs, attorneys' fees, suits, demands, liabilities, actions, proceedings and causes of action, in each case, whether known or unknown, contingent or fixed, direct or indirect, and of whatever nature or description, and whether in law or in equity, under contract, tort, statute or otherwise, which any Releaser has heretofore had or now or hereafter can, shall or may have against any Released Party by reason of any act, omission or thing whatsoever done or omitted to be done on or prior to the Sixth Amendment Effective Date directly arising out of, connected with or related to this Amendment, the Financing Agreement or any other Loan Document, or any act, event or transaction related or attendant thereto, or the agreements of any Agent or any Lender contained therein, or the possession, use, operation or control of any of the assets of any Loan Party, or the making of any Loans or other advances, or the management of such Loans or advances or the Collateral.

8. Miscellaneous.

(a) This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart of this Amendment.

(b) Section and paragraph headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

(c) This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

(d) Each Loan Party hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Financing Agreement. Accordingly, it shall be an Event of Default under the Financing Agreement if (i) any representation or warranty made by a Loan Party under or in connection with this Amendment shall have been untrue, false or misleading in any material respect when made, or (ii) after giving effect to any applicable grace periods set forth in the Loan Documents, any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Amendment.


(e) Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date set forth on the first page hereof.

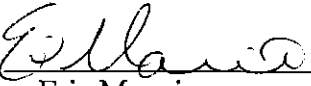
US BORROWERS:

BWT LLC

By: 
Name: Eric Mannix
Title: Chief Financial Officer

- HARBOR METALS LLC**
- BENTON HARBOR LLC**
- HI-TEMP LLC**
- HI-TEMP NORTHLAKE LLC**
- BRAZING CONCEPTS LLC**
- PIHT LLC**
- B&W HEAT TREATING LLC**
- B&W CANADA LLC**
- SAGINAW LLC**
- SWHT LLC**
- TEXAS ENERGY LABS LLC**

By: BWT LLC, as Manager

By: 
Name: Eric Mannix
Title: Chief Financial Officer

**CANADIAN BORROWER AND
GUARANTOR:**

B&W HEAT TREATING CANADA ULC

By: 
Name: Eric Mannix
Title: Chief Financial Officer

GUARANTOR:

BWT HOLDINGS LLC

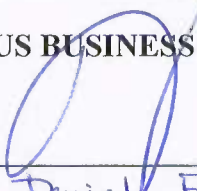
By: *BW*

Name: Brandon Bethea

Title: President

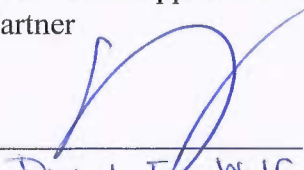
**COLLATERAL AGENT AND
ADMINISTRATIVE AGENT:**

CERBERUS BUSINESS FINANCE, LLC

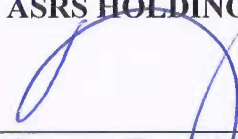
By: 
Name: Daniel E. Wolf
Title: Chief Executive Officer

CERBERUS NJ CREDIT OPPORTUNITIES FUND, L.P.

By: Cerberus NJ Credit Opportunities GP, LLC
Its: General Partner


By: 
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS ASRS HOLDINGS LLC

By: 
Name: Daniel E. Wolf
Title: Vice President

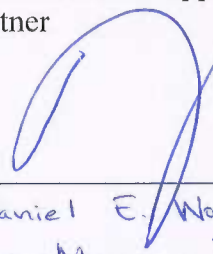
CERBERUS ICQ LEVERED LOAN OPPORTUNITIES FUND, L.P.

By: Cerberus ICQ Levered Opportunities GP, LLC
Its: General Partner

By: 
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS KRS LEVERED LOAN OPPORTUNITIES FUND, L.P.

By: Cerberus KRS Levered Opportunities GP, LLC
Its: General Partner

By: 
Name: Daniel E. Wolf
Title: Senior Managing Director

**CERBERUS PSERS LEVERED
LOAN OPPORTUNITIES FUND, L.P.**

By: Cerberus PSERS Levered Opportunities GP,
LLC

Its: General Partner

By: _____

Name: Daniel E. Wolf

Title: Senior Managing Director

**CERBERUS LEVERED LOAN
OPPORTUNITIES FUND III, L.P.**

By: Cerberus Levered Opportunities III GP, LLC

Its: General Partner

By: _____

Name: Daniel E. Wolf

Title: Senior Managing Director

CERBERUS FSBA HOLDINGS LLC

By: _____

Name: Daniel E. Wolf

Title: Vice President

CERBERUS N-1 FUNDING LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS AUS LEVERED II LP

By: **CAL II GP, LLC**
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS LOAN FUNDING XVII LTD.

By: Cerberus ASRS Holdings LLC, its attorney-in-fact

Duly Authorized Signatory
Name: Daniel E. Wolf
Title: Vice President

Annex A**Schedule E**

Description	Plant	Equipment Cost \$(000's)	Infrastructure Estimate \$(000's)	Total	Comments
Batch & Temper	RF	\$808	\$300	\$1,108	BWT has secured a currently-running program that will require an increase in capacity. This program is for a powder metal product which benefits from specialized pieces of equipment, which this CapEx would support. High level meetings have been held between both companies and full award is expected in the coming weeks.
Houston Upgrade / Retrofit	Houston	\$491	\$0	\$491	Retrofit of existing equipment or upgrade with new equipment to allow for boronized downhole pipe commercialization.
Stainless Furnace	CW	\$358	\$100	\$458	Stainless steel brazing and annealing has been a strategic focus for BWT over the past 3 years. Many of these programs have come to fruition and we are currently running at full capacity. We have several programs that are nearing award stage and capacity must be increased to process them.
Stainless Steel Wash System	CW	\$150	\$30	\$180	Allows us to further penetrate the stainless steel deep draw stamping market. Current customers already outsourcing (price is usually more than price paid to anneal). Provide customers a one-stop shop.

Temper Furnace	BH	\$103	\$30	\$133	Benton Harbor facility leans heavily on an aging temper furnace infrastructure. This piece of equipment will bring stability to their operation and additional productivity.
Shot Blaster	MP/CH1	\$60	\$15	\$75	Insource World Class cleaning currently outsourced (\$90k/yr + logistics)
Vibratory Wash	BH	\$50	\$5	\$55	Allows us to secure full book of business for JMS and another revenue stream
Total		\$2,020	\$480	\$2,500	

SEVENTH AMENDMENT TO FINANCING AGREEMENT

SEVENTH AMENDMENT TO FINANCING AGREEMENT, dated as of November 15, 2017, (this "Amendment"), to the Financing Agreement, dated as of October 23, 2012, as amended by that certain First Amendment dated as of December 28, 2012, as further amended by that certain Second Amendment and Waiver dated as of November 8, 2013, as further amended by that certain Third Amendment and Waiver dated as of April 28, 2014, as further amended by that certain Fourth Amendment dated as of December 16, 2014, as further amended by that certain Fifth Amendment dated as of January 20, 2016, as further amended by that certain Sixth Amendment dated as of December 22, 2016 (as may be further amended, the "Financing Agreement"), by and among BWT LLC, a Delaware limited liability company (the "Parent"), Harbor Metals LLC, a Delaware limited liability company ("Harbor"), Benton Harbor LLC, a Delaware limited liability company ("Benton"), Hi-Temp LLC, a Delaware limited liability company ("Hi-Temp"), Hi-Temp Northlake LLC, a Delaware limited liability company ("Hi-Temp Northlake"), Brazing Concepts LLC, a Delaware limited liability company ("Brazing"), PIHT LLC, a Delaware limited liability company ("PIHT"), B&W Heat Treating LLC, a Delaware limited liability company ("B&W"), B&W Canada LLC, a Delaware limited liability company ("B&W Canada"), Saginaw LLC, a Delaware limited liability company ("Saginaw"), SWHT LLC, a Delaware limited liability company ("SWHT"), Texas Energy Labs LLC, a Delaware limited liability company ("Texas Energy"), each subsidiary of Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT and Texas Energy listed as a "US Borrower" on the signature pages thereto (together with Parent, Harbor, Benton, Hi-Temp, Hi-Temp Northlake, Brazing, PIHT, B&W, B&W Canada, Saginaw, SWHT, Texas Energy and each other Person (as therein defined) that executes a joinder agreement and becomes a "US Borrower" thereunder, each a "US Borrower" and collectively, the "US Borrowers"), B&W Heat Treating Canada ULC, an Alberta unlimited liability company (the "Canadian Borrower", together with the US Borrowers, collectively and, subject to Section 4.06 of the Financing Agreement, jointly and severally, the "Borrowers"), BWT Holdings LLC, a Delaware limited liability company (the "Ultimate Parent"), each subsidiary of the Ultimate Parent listed as a "Guarantor" on the signature pages thereto (together with the Ultimate Parent, the Canadian Borrower and each other Person that executes a joinder agreement and becomes a "Guarantor" thereunder or otherwise guaranties all or any part of the Obligations (as therein defined), each a "Guarantor" and collectively, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), Cerberus Business Finance, LLC, a Delaware limited liability company ("Cerberus"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and Cerberus, as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents").

WHEREAS, the Borrowers, the Ultimate Parent, the other Guarantors, the Lenders and the Agents are parties to the Financing Agreement, pursuant to which the Lenders extended a credit facility of \$48,500,000 to the Borrowers on the Effective Date consisting of (a) a revolving credit facility provided to the US Borrowers in an aggregate principal amount of up to \$3,000,000 and (b) a term loan facility in an aggregate principal amount of \$45,500,000, which consisted of (i) upon completion of the Acquisition (as defined therein), a Term Loan A in

the principal amount of \$42,500,000 to the US Borrowers and (ii) a Term Loan B in the principal amount of \$3,000,000 to the Canadian Borrower.

WHEREAS, the Borrowers, the Ultimate Parent, the other Guarantors, the Lenders and the Agents amended the Financing Agreement on the First Amendment Effective Date (as defined therein), pursuant to which the Lenders extended an additional term loan, Term Loan A-2 (as defined therein), to the US Borrowers on the First Amendment Effective Date in an aggregate principal amount of \$5,150,000, such that the aggregate principal amount of the Term Loan A outstanding under the Financing Agreement on the First Amendment Effective Date was equal to \$47,650,000.

WHEREAS, the Borrowers, the Ultimate Parent, the other Guarantors, the Lenders and the Agents wish to amend the Financing Agreement on the Seventh Amendment Effective Date (as hereinafter defined), to amend certain terms and provisions of the Financing Agreement as set forth herein, subject to the terms and conditions set forth in this Amendment; it being the intention of the parties hereto that the Lenders will make an additional term loan, Term Loan A-3 (as hereinafter defined), to the US Borrowers on the Seventh Amendment Effective Date in an aggregate principal amount of \$10,000,000, such that the aggregate principal amount of the Term Loan A outstanding under the Financing Agreement on the Seventh Amendment Effective Date shall be \$32,935,508.

WHEREAS, the proceeds of Term Loan A-3 made on the Seventh Amendment Effective Date shall be used to pay certain dividends to the direct or indirect equity holders of the Ultimate Parent.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the Loan Parties, the Lenders and the Agents hereby agree that the Financing Agreement shall be amended as follows:

1. Definitions. All terms used herein that are defined in the Financing Agreement and not otherwise defined herein shall have the meanings assigned to them in the Financing Agreement.

2. Amendments.

(a) Recitals. The recitals of the Financing Agreement are hereby amended and restated in their entirety to read as follows:

"The Borrowers have asked the Lenders to extend a credit facility of \$63,650,000 to the Borrowers consisting of (a) a revolving credit facility provided to the US Borrowers upon completion of the Acquisition in an aggregate principal amount of up to \$3,000,000 and (b) a term loan facility in an aggregate principal amount of \$47,650,000, which shall consist of (i) (x) upon completion of the Acquisition (as defined herein), a term loan "A-1" in the principal amount of \$42,500,000 to the US Borrowers, (y) upon completion of the Southwest Acquisition (as defined herein), a term loan "A-2" in the principal amount of

\$5,150,000 to the US Borrowers, and (z) upon the Seventh Amendment Effective Date, a term loan "A-3" in the principal amount of \$10,000,000 to the US Borrowers, and (ii) a term loan "B" in the principal amount of \$3,000,000 to the Canadian Borrower. The proceeds of (a) the Revolving Loan, Term Loan A-1 and Term Loan B made on the Effective Date shall be used (i) to finance a portion of the purchase price for the Acquisition (as hereinafter defined), (ii) for general working capital requirements and other general corporate purposes of the Loan Parties (as hereinafter defined), and (iii) to pay fees and expenses related to the Acquisition and this Agreement, (b) the Term Loan A-2 made on the First Amendment Effective Date together with the First Amendment Equity Contribution (as hereinafter defined) shall be used (i) to acquire the Southwest Acquisition Assets (as hereinafter defined), (ii) for general corporate and other working capital purposes of the Loan Parties, and (iii) to pay fees and expenses related to the First Amendment and the Southwest Acquisition Agreement (as hereinafter defined), and (c) the Term Loan A-3 made on the Seventh Amendment Effective Date shall be used for general corporate and other working capital purposes of the Loan Parties. The Lenders are severally, and not jointly, willing to extend such credit to the Borrowers subject to the terms and conditions hereinafter set forth."

(b) New Definitions. Section 1.01 of the Financing Agreement is hereby amended by adding the following definitions, in appropriate alphabetical order:

"Seventh Amendment" means the Seventh Amendment to Financing Agreement, dated as of November 15, 2017, by and among the Borrowers, the Ultimate Parent, the other Guarantors, the Agents and the Lenders.

"Seventh Amendment Effective Date" means the date on which the Seventh Amendment shall become effective in accordance with its terms.

"Seventh Amendment Effective Date Dividend" has the meaning specified therefore in Section 6.01(t).

"Term Loan A-3" means, collectively, the loans made by the Term Loan Lenders to the US Borrowers on the Seventh Amendment Effective Date, pursuant to Section 2.01(a)(iii).

"Term Loan A-3 Commitment" means, with respect to each Term Loan Lender, the commitment of such Lender to make a portion of the Term Loan A-3 to the US Borrowers in the amount set forth in Schedule C-1 hereto, as the same may be terminated or reduced from time to time in accordance with the terms of this Agreement.

(c) Existing Definitions.

(i) The definition of "Applicable Prepayment Premium" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Applicable Prepayment Premium" means, as of any date of determination, with respect to any termination of this Agreement at any time prior to the Final Maturity Date, whether pursuant to Section 2.05, or for any other reason, including without limitation, (w) termination upon the election of the Required Lenders to terminate after the occurrence and during the continuation of an Event of Default, (x) foreclosure and sale of Collateral, (y) sale of the Collateral in any Insolvency Proceeding, or (z) restructure, reorganization, or compromise of the Obligations by the confirmation of a plan of reorganization, plan of arrangement or any other plan of compromise, restructure, or arrangement in any Insolvency Proceeding, in each case, during a period set forth below, an amount equal to (i) during the period of time from and after the Seventh Amendment Effective Date, up to and including the date that is the first anniversary of the Seventh Amendment Effective Date, 1.00%, times the principal amount of any prepayment of the Revolving Loan or any Term Loan, as applicable, on such date; and (ii) thereafter, zero; provided, that in connection with a refinancing of the Loans with a credit facility in which Cerberus or its Affiliates are the lead lenders, no Applicable Prepayment Premium shall be due.

(ii) The definition of "Base LIBOR Rate" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Base LIBOR Rate" means, for any LIBOR Rate Loan for the then current Interest Period applicable thereto, the greater of (a) 1.00% per annum and (b) the rate per annum, determined by the Administrative Agent in accordance with its customary procedures, and utilizing such electronic or other quotation sources as it considers appropriate, on the basis of the rates at which Dollar deposits are offered to major banks in the London interbank market on or about 11:00 a.m. (New York time) 2 Business Days prior to the commencement of the applicable Interest Period, for a term and in amounts comparable to the Interest Period and amount of the LIBOR Rate Loan requested by the Administrative Borrower in accordance with this Agreement, which determination shall be conclusive in the absence of manifest error.

(iii) The definition of "Consolidated Funded Indebtedness" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Consolidated Funded Indebtedness" means, with respect to any Person at any date, all Indebtedness for borrowed money or letters of credit (except for letters of credit secured by cash collateral as of the Effective Date) of such Person, determined on a consolidated basis in accordance with GAAP, including, in any event, but without duplication, with respect to the Ultimate Parent and its Subsidiaries, the Loans and the amount of their Capitalized Lease Obligations but (a) excluding Indebtedness pursuant to clause (g) of the definition of Permitted Indebtedness, and (b) on and after the Seventh Amendment Effective Date, excluding the amount of the Term Loan A-3 Commitment, solely for the purposes of calculating the Leverage Ratio and the Fixed Charge Coverage Ratio.

(iv) The definition of "Fixed Charge Coverage Ratio" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Fixed Charge Coverage Ratio" means, with respect to any Person for any period, the ratio of (a) the TTM EBITDA of such Person and its Subsidiaries as of the end of such period, minus the sum of (without duplication) (i) all income tax liabilities (after the application of any refunds or credits and excluding net income taxes paid from the proceeds received in connection with any Permitted Disposition or any Disposition consented to by the Required Lenders (after taking into account any tax credits or deductions and any tax sharing arrangements) and excluding any tax liabilities in respect of extraordinary gains) of such Person and its Subsidiaries that accrued during such period, to the extent that such amount is greater than zero plus (ii) cash dividends or distributions paid by such Person and its Subsidiaries (other than, (a) the Seventh Amendment Effective Date Dividend and (b) in the case of the Ultimate Parent, dividends or distributions paid to the Ultimate Parent or its wholly-owned Subsidiaries) during such period, plus (iii) Permitted Management Fees paid during such period, plus (iv) non-financed Capital Expenditures permitted hereunder made by such Person and its Subsidiaries during such period to (b) the TTM Fixed Charges as of the last day of such period. For purposes of calculating the Fixed Charge Coverage Ratio at any time during the twelve months following the Effective Date, only those amounts attributable to periods after the Effective Date shall be included.

(v) The definition of "Fixed Charges" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Fixed Charges" means, with respect to any Person for any period, the sum of (without duplication) (a) all principal of Consolidated Funded Indebtedness of such Person and its Subsidiaries scheduled to be paid during such period (including the amount of any prepayments of such Indebtedness that were made in prior periods and excluding any payments pursuant to Section 2.05(c)(ii)), plus (b) Consolidated Net Interest Expense payable in cash of such Person and its Subsidiaries for such period (excluding (i) closing or amendment fees to the extent constituting Consolidated Net Interest Expense and (ii) interest expense attributable to the Term Loan A-3).

(vi) The definition of "Term Loan" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Term Loan" means, collectively, the Term Loan A-1, Term Loan A-2, Term Loan A-3 and the Term Loan B.

(vii) The definition of "Term Loan A" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Term Loan A" means, collectively, the Term Loan A-1, the Term Loan A-2 and the Term Loan A-3.

(viii) The definition of "Term Loan A Commitment" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Term Loan A Commitment" means the sum of the amounts of the Lenders' Term Loan A-1 Commitments, Term Loan A-2 Commitments and Term Loan A-3 Commitments.

(ix) The definition of "Term Loan Commitment" in Section 1.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Term Loan Commitment" means the sum of the Term Loan A Commitment and the Term Loan B Commitment; provided, however, that the aggregate commitment by the Term Loan Lenders to the Borrowers shall be \$60,650,000.

(d) Commitments. Section 2.01 of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"Section 2.01 Commitments. (a) Subject to the terms and conditions and relying upon the representations and warranties herein set forth:

(i) each Revolving Loan Lender severally agrees to make Revolving Loans to the US Borrowers at any time and from time to time after consummation of the Acquisition to the Final Maturity Date, or until the earlier reduction of its Revolving Credit Commitment to zero in accordance with the terms hereof, in an aggregate principal amount of Revolving Loans at any time outstanding not to exceed the amount of such Lender's Revolving Credit Commitment;

(ii) each Term Loan Lender severally agrees to make its Pro Rata Share of the Term Loan A-1 to the Parent on the Effective Date, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan A-1 Commitment;

(iii) each Term Loan Lender severally agrees to make its Pro Rata Share of the Term Loan A-2 to SWHT and Texas Energy on the First Amendment Effective Date, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan A-2 Commitment;

(iv) each Term Lender severally agrees to make its Pro-Rata Share of the Term Loan A-3 to the Parent on the Seventh Amendment Effective Date, in

an aggregate principal amount not to exceed the amount of such Lender's Term Loan A-3 Commitment;

(v) each Term Loan Lender severally agrees to make its Pro Rata Share of the Term Loan B to the Canadian Borrower on the Effective Date after consummation of the Acquisition, in an aggregate principal amount not to exceed the amount of such Lender's Term Loan B Commitment, provided that the proceeds of the Term Loan B shall, on the Effective Date, be distributed by the Canadian Borrower to the Parent and applied by the Parent to prepay the Term Loan A-1.

(b) Notwithstanding the foregoing:

(i) The aggregate principal amount of the Revolving Loans outstanding at any time to the US Borrowers shall not exceed the result of (A) the lesser of (x) the Borrowing Base and (y) the Total Revolving Credit Commitment minus (B) the Saginaw Reserve. The Revolving Loan Commitment of each Lender shall automatically and permanently be reduced to zero at 5:00 p.m. (New York City time) on the Final Maturity Date. Any principal amount of the Revolving Loan that is repaid or prepaid may be reborrowed. No Revolving Loans shall be advanced on the Effective Date.

(ii) The sum of (A) the aggregate principal amount of the Term Loan A-1 made on the Effective Date plus (B) the aggregate principal amount of the Term Loan A-2 made on the First Amendment Effective Date plus (C) the aggregate principal amount of the Term Loan A-3 made on the Seventh Amendment Effective Date shall not exceed the Total Term Loan A Commitment. The Term Loan A shall be secured by all of the Collateral and shall constitute US Obligations. The Term Loan B shall be secured by all of the Collateral and shall constitute Canadian Obligations. Any principal amount of the Term Loan which is repaid or prepaid may not be reborrowed.

(c) The Loan Parties hereby acknowledge, confirm and agree that (A) immediately prior to the Seventh Amendment Effective Date, (1) the outstanding principal amount of the Revolving Loan is equal to \$0.00, (2) the outstanding principal amount of the Term Loan A-1 is equal to \$17,742,281.99 (the "Existing Term Loan A-1"), (3) the outstanding principal amount of the Term Loan A-2 is equal to \$2,193,226.01 (the "Existing Term Loan A-2"), (4) the outstanding principal amount of the Term Loan B is equal to \$3,000,000 (the "Existing Term Loan B" and together with the Existing Term Loan A-1 and the Existing Term Loan A-2, collectively, the "Existing Term Loans"), and (5) the Revolving Loan and the Existing Term Loans are outstanding and payable to Lenders under this Agreement without set-off, counterclaim, deduction, offset or defense and are secured by a first priority security interest in and Lien on the Collateral (subject only to Permitted Liens), (B) the Term Loan A-3 made on the Seventh Amendment Effective Date shall be an amount equal to the Term Loan A-3 Commitment, and (C) after giving effect to the Seventh Amendment and this Agreement on the Seventh Amendment Effective Date, (1) the aggregate principal amount of the Term Loans outstanding is equal to \$32,935,508, (2) the aggregate principal amount of the Revolving

Loan (including any Revolving Loan made on the Seventh Amendment Effective Date) outstanding is equal to \$0.00 and (3) the Loans are outstanding and payable to Lenders under the terms of this Agreement and the Loan Documents without set-off, counterclaim, deduction, offset or defense and are secured by a first priority security interest in and lien on the Collateral (subject only to Permitted Liens)."

(e) Interest.

(i) Section 2.04(a) and (b) of the Financing Agreement are hereby amended and restated in its entirety to read as follows:

"(a) Revolving Loans. The Revolving Loan shall bear interest on the principal amount thereof from time to time outstanding, from the date of the making of such Loan until the date on which such principal amount is repaid in accordance herewith, as follows: (i) if the relevant Revolving Loan is a LIBOR Rate Loan, at a rate per annum equal to the LIBOR Rate plus 7.25 percentage points, and (ii) otherwise, at a rate per annum equal to the Reference Rate plus 6.25 percentage points.

(b) Term Loan. The Term Loan shall bear interest on the principal amount thereof from time to time outstanding, from the date of the making of such Loan until the date on which such principal amount is repaid in accordance herewith, as follows: (i) if the relevant portion of the Term Loan is a LIBOR Rate Loan, at a rate per annum equal to the LIBOR Rate plus 7.25 percentage points, and (ii) otherwise, at a rate per annum equal to the Reference Rate plus 6.25 percentage points."

(f) Making the Loans. Section 2.05(a)(ii) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(ii) Term Loan. The Term Loan A-1 Commitment and the Term Loan B Commitment shall terminate upon the funding of such Term Loans on the Effective Date. The Term Loan A-2 Commitment shall terminate upon the funding of the Term Loan A-2 on the First Amendment Effective Date. The Term Loan A-3 Commitment shall terminate upon the funding of the Term Loan A-3 on the Seventh Amendment Effective Date."

(g) Fees. Section 2.06(a) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(a) Closing Fee. (i) On the Effective Date, the Borrower shall pay to the Administrative Agent, for the account of each Lender, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$1,333,750, which shall be deemed fully earned when paid, (ii) on the First Amendment Effective Date, the Borrower shall pay to the Administrative Agent, for the account of each Lender with a Term Loan A-2 Commitment, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$141,625.00, which shall be deemed fully earned when paid, and (iii) on the

Seventh Amendment Effective Date, the Borrower shall pay to the Administrative Agent, for the account of each Lender with a Term Loan A-3 Commitment, in accordance with their Pro Rata Shares, a non-refundable closing fee equal to \$175,000.00, which shall be deemed fully earned when paid."

(h) Use of Proceeds. Section 6.01(t) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(t) Use of Proceeds. The proceeds of (i) the Loans made on the Effective Date shall be used to (A) finance a portion of the purchase price for the Acquisition, (B) for general working capital requirements and other general corporate purposes of the Loan Parties, and (C) to pay fees and expenses related to the Acquisition and this Agreement, (ii) Loans made on the First Amendment Effective Date together with the proceeds from the First Amendment Equity Contribution, shall be used to (A) fund the Southwest Acquisition, (B) for general working capital requirements and other general corporate purposes of the Loan Parties, and (C) pay fees and expenses in connection with the transactions contemplated by the First Amendment and the Southwest Acquisition Documents, and (iii) Loans made on the Seventh Amendment Effective Date shall be used to pay dividends and distributions to Aterian and its Affiliates (the "Seventh Amendment Effective Date Dividend")."

(i) Restricted Payments.

(i) Section 7.02(h)(iv)(A) of the Financing Agreement is hereby amended and restated in its entirety to read as follows:

"(iv) pay any management fees or any other fees or expenses (including the reimbursement thereof by any Loan Party or any of its Subsidiaries) pursuant to any management, consulting or other services agreement to any of the shareholders or other equityholders of any Loan Party or any of its Subsidiaries or other Affiliates, or to any other Subsidiaries or Affiliates of any Loan Party; provided, however, that (A) (x) the Loan Parties may pay Permitted Management Fees in cash in accordance with the Management Agreement so long as (1) no Default or Event of Default has occurred and is continuing or would result therefrom, (2) the sum of Availability plus Qualified Cash both before and after giving effect thereto is not less than \$1,500,000, (3) the TTM EBITDA shall be at least \$9,000,000, (4) on the payment date of any Permitted Management Fee no Revolving Loan Obligations are outstanding for the ninety (90) day period prior to such payment date and no Revolving Loans are anticipated to be requested by the Loan Parties for the thirty (30) day period immediately after such payment date and (5) until the Leverage Ratio of the Ultimate Parent and its Subsidiaries as of the last date of each fiscal quarter is less than 3.00:1.00, only 33% of any Permitted Management Fee may be paid in cash, and (y) the Loan Parties may pay out-of-pocket expenses and indemnification payments pursuant to the Management Agreement; provided, that to the extent that any amounts

permitted to be paid pursuant to clause (x) are voluntarily deferred or may not be paid as a result of the failure to satisfy the conditions herein, such fees shall accrue and may be payable without regard to the limitations in the definition of Permitted Management Fees when the conditions herein are satisfied,"

(ii) Section 7.02(h) of the Financing Agreement is hereby amended by (i) deleting the word "and" at the end of the clause (F) thereof, (ii) deleting the semicolon at the end of clause (G) thereof and inserting ", and" at the end of such clause in lieu thereof and (iii) inserting new clause (H) therein to read as follows:

"(H) on the Seventh Amendment Effective Date, the Loan Parties may make dividends and distributions to the Ultimate Parent solely to enable the Ultimate Parent to pay the Seventh Amendment Effective Date Dividend in an amount not to exceed \$10,000,000; provided, that the TTM EBITDA for the period ending on October 31, 2017 shall not be less than \$10,328,000."

(j) Schedules. Schedule C-1 of the Financing Agreement is hereby supplemented by Schedule C-1 attached hereto.

3. Representations and Warranties. Each Loan Party hereby represents and warrants to the Agents and the Lenders as follows:

(a) Representations and Warranties; No Event of Default. The representations and warranties herein, in Article VI of the Financing Agreement and in each other Loan Document, certificate or other writing delivered by or on behalf of the Loan Parties to any Agent or any Lender pursuant to the Financing Agreement or any other Loan Document on the Seventh Amendment Effective Date are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date), and no Default or Event of Default has occurred and is continuing as of the Seventh Amendment Effective Date or would result from this Amendment becoming effective in accordance with its terms.

(b) Organization, Good Standing, Etc. Each Loan Party (i) is a corporation, limited liability company or limited partnership duly organized, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) has all requisite power and authority to conduct its business as now conducted and as presently contemplated, and to execute and deliver this Amendment, and to consummate the transactions contemplated hereby and by the Financing Agreement, as amended hereby, and (iii) is duly qualified to do business in, and is in good standing in each jurisdiction where the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary except (solely for the purposes of this subclause (iii)) where the failure to

be so qualified and be in good standing could not reasonably be expected to have a Material Adverse Effect.

(c) Authorization, Etc. The execution and delivery by each Loan Party of this Amendment and each other Loan Document delivered and executed on the Seventh Amendment Date to which it is or will be a party, and the performance of the Financing Agreement, as amended hereby, (i) are within the power and authority of such Loan Party and have been duly authorized by all necessary action, (ii) do not and will not contravene any of its Governing Documents, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to its operations or any of its properties, except (solely for the purposes of this subclause (iv)) to the extent that such default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to result in a Material Adverse Effect and (v) do not contravene any applicable Requirement of Law or any Contractual Obligation binding on or otherwise affecting it or any of its properties, except (solely for the purposes of this subclause (v)) to the extent it could not reasonably be expected to result in a Material Adverse Effect.

(d) Enforceability of Loan Documents. This Amendment is, and each other Loan Document to which any Loan Party is or will be a party, when delivered hereunder, will be, a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by principles of equity.

(e) Governmental Approvals. No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority is required in connection with the due execution, delivery and performance by any Loan Party of any Loan Document to which it is or will be a party.

4. Conditions to Effectiveness. This Amendment shall become effective only upon satisfaction in full (or waiver), in a manner reasonably satisfactory to the Agents, of the following conditions precedent (the first date upon which all such conditions shall have been satisfied being herein called the "Seventh Amendment Effective Date"):

(a) Payment of Fees, Etc. The Borrowers shall have paid on the date of this Amendment (A) the closing fee specified in Section 2.06(a)(iii) of the Financing Agreement (as amended hereby), and (B) all other fees, costs, expenses and taxes then payable pursuant to Section 2.06 or 12.04 of the Financing Agreement.

(b) Representations and Warranties. The representations and warranties contained in this Amendment and in Article VI of the Financing Agreement and in each other Loan Document shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are

qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the Seventh Amendment Effective Date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct on and as of such earlier date).

(c) No Default; Event of Default. After giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing on the Seventh Amendment Effective Date or result from this Amendment becoming effective in accordance with its terms.

(d) Delivery of Documents. The Collateral Agent shall have received on or before the Seventh Amendment Effective Date the following, each in form and substance reasonably satisfactory to the Collateral Agent and, unless indicated otherwise, dated the Seventh Amendment Effective Date:

(i) the Amendment, duly executed by the Loan Parties, each Agent and each Lender;

(ii) a Notice of Borrowing, duly executed by the Borrowers;

(iii) the results of Lien searches for any effective financing statements which name, tax Liens or judgement Liens filed against the Loan Parties, which results shall not show any such Liens (other than Permitted Liens);

(iv) a certificate of an Authorized Officer of each Loan Party, certifying (A) as to either (i) copies of the Governing Documents of such Loan Party, together with all amendments thereto (including, without limitation, a true and complete copy of the charter, certificate of formation, certificate of limited partnership or other publicly filed organizational document of each Loan Party certified as of a recent date not more than 30 days prior to the Seventh Amendment Effective Date by an appropriate official of the jurisdiction of organization of such Loan Party which shall set forth the same complete name of such Loan Party as is set forth herein and the organizational number of such Loan Party, if an organizational number is issues in such jurisdiction) or (ii) that such Loan Party's Governing Documents have not been amended, supplemented or otherwise modified since December 28, 2012, (B) as to a copy of the resolutions of each Loan Party, certified as of the Seventh Amendment Effective Date by an Authorized Officer thereof, authorizing (1) the additional borrowings hereunder and the transactions contemplated by the Loan Documents to which such Loan Party is or will be a party, (2) the execution, delivery and performance by such Loan Party of each Loan Document to which such Loan Party is or will be a party and the execution and delivery of the other documents to be delivered by such Person in connection herewith and therewith, and (C) the names and true signatures of the representatives of such Loan Party authorized to sign each Loan Document to which such Loan Party is or will be a party, together with evidence of the incumbency of such officers;

(v) a certificate of the appropriate official(s) of the jurisdiction of organization of such Loan Party as to the subsistence in good standing of such Loan Party in such jurisdiction;

(vi) an opinion of Hunton & Williams LLP, counsel to the Loan Parties, as to such matters as the Collateral Agent may reasonably request;

(vii) a certificate of an Authorized Officer of each Loan Party, certifying as to the matters set forth in subsections (b) and (c) of this Section 4.

(e) Liens; Priority. The Agents shall be satisfied that the Collateral Agent has been granted, and holds, for the benefit of the Agents and the Lenders, a perfected, first priority Lien on and security interest in all of the Collateral to the extent such Liens and security interests are required to be granted or perfected by the Seventh Amendment Effective Date, if at all, pursuant to the Loan Documents, subject only to Permitted Liens.

5. Continued Effectiveness of the Financing Agreement and Other Loan Documents. Each Loan Party hereby (i) acknowledges and consents to this Amendment, (ii) confirms and agrees that the Financing Agreement and each other Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the Seventh Amendment Effective Date all references in any such Loan Document to "the Financing Agreement", the "Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Financing Agreement shall mean the Financing Agreement as amended by this Amendment, and (iii) confirms and agrees that to the extent that any such Loan Document purports to assign or pledge to the Collateral Agent for the benefit of the Agents and the Lenders, or to grant to the Collateral Agent for the benefit of the Agents and the Lenders a security interest in or Lien on, any Collateral as security for the Obligations of the Loan Parties from time to time existing in respect of the Financing Agreement (as amended hereby) and the other Loan Documents, such pledge, assignment and/or grant of the security interest or Lien is hereby ratified and confirmed in all respects. This Agreement shall not constitute a novation of any amount owing under the Loan Documents and does not and shall not affect any of the obligations of the Loan Parties, other than as expressly provided herein, including, without limitation, the Loan Parties' obligations to repay the Loans in accordance with the terms of Financing Agreement, or the obligations of the Loan Parties under any Loan Document to which they are a party, all of which obligations shall remain in full force and effect. Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Agents or any Lender under the Financing Agreement or any other Loan Document, nor constitute a waiver of any provision of the Financing Agreement or any other Loan Document.

6. Release. Each Loan Party hereby acknowledges and agrees that: (a) neither it nor any of its Subsidiaries has any claim or cause of action against the Agents or any Lender (or any of their respective Affiliates, officers, directors, employees, attorneys, consultants or agents in their capacities for the Agents or any Lender) in connection with the Loan Documents and (b) the Agents and each Lender has heretofore properly performed and satisfied

in a timely manner all of its obligations to the Loan Parties and their Subsidiaries under the Financing Agreement and the other Loan Documents that are required to have been performed on or prior to the date hereof. Notwithstanding the foregoing, the Agents and the Lenders wish (and the Loan Parties agree) to eliminate any possibility that any past conditions, acts, omissions, events or circumstances would impair or otherwise adversely affect any of the Agents' and the Lenders' rights, interests, security and/or remedies under the Financing Agreement and the other Loan Documents. Accordingly, for and in consideration of the agreements contained in this Amendment and other good and valuable consideration, each Loan Party (for itself and its Subsidiaries and the successors, assigns, heirs and representatives of each of the foregoing) (collectively, the "Releasers") does hereby fully, finally, unconditionally and irrevocably release and forever discharge each Agent, each Lender and each of their respective Affiliates, officers, directors, employees, attorneys, consultants and agents in their capacities as an Agent or any Lender (collectively, the "Released Parties") from any and all debts, claims, obligations, damages, costs, attorneys' fees, suits, demands, liabilities, actions, proceedings and causes of action, in each case, whether known or unknown, contingent or fixed, direct or indirect, and of whatever nature or description, and whether in law or in equity, under contract, tort, statute or otherwise, which any Releaser has heretofore had or now or hereafter can, shall or may have against any Released Party by reason of any act, omission or thing whatsoever done or omitted to be done on or prior to the Seventh Amendment Effective Date directly arising out of, connected with or related to this Amendment, the Financing Agreement or any other Loan Document, or any act, event or transaction related or attendant thereto, or the agreements of any Agent or any Lender contained therein, or the possession, use, operation or control of any of the assets of any Loan Party, or the making of any Loans or other advances, or the management of such Loans or advances or the Collateral.

7. Miscellaneous.

(a) This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart of this Amendment.

(b) Section and paragraph headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

(c) This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

(d) Each Loan Party hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Financing Agreement. Accordingly, it shall be an Event of Default under the Financing Agreement if (i) any representation or warranty made by a Loan Party under or in connection with this Amendment shall have been untrue, false or misleading in any material respect when made, or (ii) after giving effect to any applicable

grace periods set forth in the Loan Documents, any Loan Party shall fail to perform or observe any term, covenant or agreement contained in this Amendment.


(e) Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date set forth on the first page hereof.


US BORROWERS:

BWT LLC

By: 
Name: Eric Mannix
Title: Chief Financial Officer

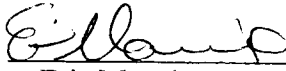
- HARBOR METALS LLC**
- BENTON HARBOR LLC**
- HI-TEMP LLC**
- HI-TEMP NORTHLAKE LLC**
- BRAZING CONCEPTS LLC**
- PIHT LLC**
- B&W HEAT TREATING LLC**
- B&W CANADA LLC**
- SAGINAW LLC**
- SWHT LLC**
- TEXAS ENERGY LABS LLC**

By: BWT LLC, as Manager

By: 
Name: Eric Mannix
Title: Chief Financial Officer

**CANADIAN BORROWER AND
GUARANTOR:**

B&W HEAT TREATING CANADA ULC

By:  _____

Name: Eric Mannix

Title: Chief Financial Officer

GUARANTOR:

BWT HOLDINGS LLC

By: 
Name: Brandon Bethea
Title: President

**COLLATERAL AGENT AND
ADMINISTRATIVE AGENT:**

CERBERUS BUSINESS FINANCE, LLC

By: _____

Name: Daniel E. Wolf

Title: Chief Executive Officer

LENDERS:

CERBERUS LEVERED LOAN OPPORTUNITIES FUND III, L.P.

By: Cerberus Levered Opportunities III GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS NJ CREDIT OPPORTUNITIES FUND, L.P.

By: Cerberus NJ Credit Opportunities GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS ASRS HOLDINGS LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS KRS LEVERED LOAN OPPORTUNITIES FUND, L.P.

By: Cerberus KRS Levered Opportunities GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS PSERS LEVERED LOAN OPPORTUNITIES FUND, L.P.

By: Cerberus PSERS Levered Opportunities GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS FSBA HOLDINGS LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS ND CREDIT HOLDINGS LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS ASRS FUNDING LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS ASRS HOLDINGS LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS AUS LEVERED HOLDINGS LP

By: CAL I GP Holdings LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS AUS LEVERED II LP

By: CAL II GP LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS FSBA HOLDINGS LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS FSBA LEVERED LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS ICQ OFFSHORE LEVERED LP

By: Cerberus ICQ Offshore GP LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS ICQ OFFSHORE LOAN OPPORTUNITIES MASTER FUND, L.P.

By: Cerberus ICQ Offshore Levered GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS KRS LEVERED LOAN OPPORTUNITIES FUND, L.P.

By: Cerberus KRS Levered Opportunities GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS LEVERED LOAN OPPORTUNITIES FUND III, L.P.

By: Cerberus Levered Opportunities III GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS LOAN FUNDING XVI LP

By: Cerberus PSERS GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS LOAN FUNDING XVII, LTD.

By: Cerberus ASRS Holdings LLC
Its: Attorney-in-Fact

By: _____
Name: Daniel E. Wolf
Title: Vice President

CERBERUS LOAN FUNDING XVIII L.P.

By: Cerberus LFGP XVIII, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS LOAN FUNDING XX L.P.

By: Cerberus LFGP XX, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS N-1 FUNDING LLC

By: _____
Name: Daniel E. Wolf
Title: Vice President

**CERBERUS NJ CREDIT OPPORTUNITIES
FUND, L.P.**

By: Cerberus NJ Credit Opportunities GP, LLC
Its: General Partner

By: _____
Name: Daniel E. Wolf
Title: Senior Managing Director

CERBERUS OFFSHORE LEVERED LOAN OPPORTUNITIES MASTER FUND III, L.P.

By: Cerberus Offshore Levered Opportunities III GP, LLC

Its: General Partner

By: _____

Name: Daniel Wolf

Title: Senior Managing Director

CERBERUS OFFSHORE LEVERED III LP

By: COL III GP Inc.

Its: General Partner

By: _____

Name: Daniel E. Wolf

Title: Vice President

CERBERUS PSERS LEVERED LOAN OPPORTUNITIES FUND, L.P.

By: Cerberus PSERS Levered Opportunities GP, LLC

Its: General Partner

By: _____

Name: Daniel E. Wolf

Title: Senior Managing Director

CERBERUS REDWOOD LEVERED LOAN OPPORTUNITIES FUND A, L.P.

By: Cerberus Redwood Levered Opportunities GP A, LLC

Its: General Partner

By: _____

Name: Daniel E. Wolf

Title: Senior Managing Director

CERBERUS REDWOOD LEVERED LOAN OPPORTUNITIES FUND B, L.P.

By: Cerberus Redwood Levered Opportunities GP B, LLC

Its: General Partner

By: _____

Name: Daniel E. Wolf

Title: Senior Managing Director

CERBERUS REDWOOD LEVERED A LLC

By: _____

Name: Daniel E. Wolf

Title: Vice President

CERBERUS REDWOOD LEVERED B LLC

By: _____

Name: Daniel E. Wolf

Title: Vice President

CERBERUS SWC LEVERED II LLC

By: _____

Name: Daniel E. Wolf

Title: Vice President

CERBERUS SWC LEVERED LOAN OPPORTUNITIES MASTER FUND, L.P.

By: Cerberus SWC Levered Opportunities GP, LLC

Its: General Partner

By: _____

Name: Daniel Wolf

Title: Senior Managing Director

Schedule C-1**Lenders and Lenders' Commitments**

<u>Lender</u>	<u>Term Loan A-3 Commitment</u>
Cerberus Levered Loan Opportunities Fund III, L.P.	\$2,848,652.12
Cerberus NJ Credit Opportunities Fund, L.P.	\$1,060,857.48
Cerberus ASRS Holdings LLC	\$3,112,019.61
Cerberus KRS Levered Loan Opportunities Fund, L.P.	\$343,925.09
Cerberus PSERS Levered Loan Opportunities Fund, L.P.	\$981,710.10
Cerberus FSBA Holdings LLC	\$866,623.74
Cerberus ND Credit Holdings LLC	\$786,211.86
Total	\$10,000,000