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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 21, 2020

Smith & Wesson Brands, Inc.
(Exact Name of Registrant as Specified in Charter)

Nevada	**001-31552**	**87-0543688**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

2100 Roosevelt Avenue
Springfield, Massachusetts 01104
(Address of principal executive offices) (Zip Code)

(800) 331-0852
(Registrant’s telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value $.001 per Share	**SWBI**	**Nasdaq Global Select Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 §CRF 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

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

Item 1.01. Entry into a Material Definitive Agreement.

On August 24, 2020, or the Distribution Date, at 12:01 a.m. Eastern Time, the previously announced separation, or the Separation, of our wholly owned subsidiary, American Outdoor Brands, Inc., a Delaware corporation, or AOUT, from our company was completed. The Separation was achieved through the transfer of all the assets and legal entities, subject to any related liabilities, associated with our outdoor products and accessories business to AOUT, which we refer to as the Transfer, and the distribution of 100% of the AOUT outstanding capital stock to holders of our common stock as of the close of business on August 10, 2020, or the Record Date, which we refer to as the Distribution. In connection with the Distribution, our stockholders received one share of AOUT common stock for every four shares of our common stock held as of the close of business on the Record Date. Following the Distribution, AOUT became an independent, publicly traded company, and we retain no ownership interest in AOUT.

Separation Agreements with AOUT

In connection with the Separation, on August 21, 2020, we entered into certain agreements with AOUT to effect the Separation and provide a framework for our relationship with AOUT after the Separation, including each of the following:

- Separation and Distribution Agreement;
- Transition Services Agreement;
- Tax Matters Agreement; and
- Employee Matters Agreement.

A summary of each of the foregoing agreements can be found in the section entitled “The Separation—Agreements with SWBI” contained in the information statement furnished as Exhibit 99.1 to our Current Report on Form 8-K filed with the Securities and Exchange Commission, or the SEC, on August 4, 2020, which summaries are incorporated by reference into this Item 1.01 as if restated in their entirety herein.

In addition, the descriptions of each of the Separation and Distribution Agreement, Transition Services Agreement, Tax Matters Agreement, and Employee Matters Agreement contained in the information statement do not purport to be complete, and such descriptions are qualified in their entirety by reference to the complete terms of those agreements, which are attached as Exhibit 2.13, Exhibit 10.121, Exhibit 10.122, and Exhibit 10.123, respectively, to this Current Report on Form 8-K and are incorporated by reference herein.

Commercial Agreements with AOUT

In connection with the Separation, on August 24, 2020, we also entered into certain commercial agreements with AOUT, including each of the following:

- Trademark License Agreement;
- Sublease;
- Supply Agreement, or the Laser Supply Agreement; and
- Supply Agreement, or the Accessories Supply Agreement.

A summary of each of the foregoing agreements can be found in the section entitled “The Separation—Agreements with SWBI” contained in the information statement furnished as Exhibit 99.1 to our Current Report on Form 8-K filed with the SEC on August 4, 2020, which summaries are incorporated by reference into this Item 1.01 as if restated in their entirety herein.

In addition, the descriptions of each of the Trademark License Agreement, Sublease, Laser Supply Agreement, and Accessories Supply Agreement contained in the information statement do not purport to be complete, and such descriptions are qualified in their entirety by reference to the complete terms of those agreements, which are attached as Exhibit 10.124, Exhibit 10.125, Exhibit 10.126, and Exhibit 10.127, respectively, to this Current Report on Form 8-K and are incorporated by reference herein.

Amended and Restated Credit Agreement

On August 24, 2020, we and certain of our direct and indirect Domestic Subsidiaries entered into an amended and restated credit agreement, or the Amended and Restated Credit Agreement, with certain lenders, TD Bank, N.A., as administrative agent, TD Securities (USA) LLC and Regions Bank, as joint lead arrangers and joint bookrunners, and Regions Bank, as syndication agent. Capitalized terms not otherwise defined in this Item 1.01, Amended and Restated Credit Agreement, will have the meanings set forth in the Amended and Restated Credit Agreement.

The Amended and Restated Credit Agreement amended and restated that certain Credit Agreement, dated as of June 15, 2015, by and among us, certain of our direct and indirect Domestic Subsidiaries, the lenders party thereto, and TD Bank, N.A., as administrative agent and swingline lender, as previously amended. The Amended and Restated Credit Agreement is currently unsecured, however, should any Springing Lien Trigger Event occur, we and certain of our direct and indirect Domestic Subsidiaries would be required to enter into certain documents that create in favor of TD Bank, N.A., as administrative agent, and the lenders party to such documents a legal, valid, and enforceable first priority Lien on the Collateral described therein.

The Amended and Restated Credit Agreement provides for the following:

1. A revolving line of credit in the amount of $100.0 million at any one time, or the Revolving Line. Each Loan under the Revolving Line bears interest at either the Base Rate, plus the Applicable Rate or the LIBOR Rate for the Interest Period in effect for such borrowing, plus the Applicable Rate; and

2. A swingline facility in the maximum amount of $5.0 million at any one time (subject to availability under the Revolving Line). Each Swingline Loan bears interest at the Base Rate, plus the Applicable Rate.

Subject to the satisfaction of certain terms and conditions described in the Amended and Restated Credit Agreement, we have an option to increase the Revolving Line by an aggregate amount not exceeding $50.0 million.

The Revolving Line matures on the earlier of August 24, 2025, or the date that is six months in advance of the earliest maturity of any Permitted Notes under the Amended and Restated Credit Agreement.

The Amended and Restated Credit Agreement contains customary limitations, including limitations on indebtedness, liens, fundamental changes to business or organizational structure, investments, loans, advances, guarantees, and acquisitions, asset sales, dividends, stock repurchases, stock redemptions, and the redemption or prepayment of other debt, and transactions with affiliates. We are also subject to financial covenants, including a minimum consolidated fixed charge coverage ratio and a maximum consolidated leverage ratio.

The Amended and Restated Credit Agreement also contains customary events of default, including nonpayment of principal, interest, fees, or other amounts when due, violation of covenants, breaches of representations or warranties, cross defaults, change of control, insolvency, bankruptcy events, and material judgments. Some of these events of default allow for grace periods or are qualified by materiality concepts. Upon the occurrence of an event of default, the outstanding obligations under the Amended and Restated Credit Agreement may be accelerated and become due and payable immediately.

The description of the Amended and Restated Credit Agreement does not purport to be complete, and such description is qualified in its entirety by reference to the complete terms of the Amended and Restated Credit Agreement, which is attached as Exhibit 10.128 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 2.01. Completion of Acquisition or Disposition of Assets.

The description of the Separation set forth under Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.01.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The description of the Amended and Restated Credit Agreement set forth under Item 1.01 of this Current Report on Form 8-K is incorporated by reference in this Item 2.03.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation and Appointment of Directors

On August 24, 2020, effective as of immediately prior to the Distribution, Gregory J. Gluchowski, Jr. and I. Marie Wadecki resigned as directors of our company to serve on the Board of Directors of AOUT. The Board expressed its sincere gratitude to Mr. Gluchowski and Ms. Wadecki for their years of distinguished service with our company.

On August 24, 2020, Mark P. Smith, our President and Chief Executive Officer, was appointed to our Board of Directors. Mr. Smith, age 44, served as Co-President and Co-Chief Executive Officer from January 2020 until August 2020. Mr. Smith served as President, Manufacturing Services of our company and as President of Manufacturing Services for Smith & Wesson Sales Company (formerly known as American Outdoor Brands Sales Company and Smith & Wesson Corp.), a subsidiary of our company, from March 2016 until January 2020. Mr. Smith served as Vice President of Manufacturing and Supply Chain Management from May 2011 until March 2016 and served as Vice President of Supply Chain Management from May 2010 until May 2011. He was Director Supply Chain Solutions for Alvarez & Marsal Business Consulting, LLC from April 2007 until April 2010. Mr. Smith held various positions for Ecolab, Inc., a developer and marketer of programs, products, and services for the hospitality, foodservice, healthcare, industrial, and energy markets, from March 2001 until April 2007, including Program Manager, Acquisition Integration Manager, Senior Manufacturing Planner, Plant Engineer, and Senior Production / Quality Supervisor. Mr. Smith was a Production Supervisor for Bell Aromatics, a manufacturer of flavors and fragrances, from August 1999 until March 2001.

There are no arrangements or understandings between Mr. Smith and any other person pursuant to which Mr. Smith was selected as a director. There are no transactions involving Mr. Smith that would be required to be reported under Item 404(a) of Regulation S-K.

Resignation and Appointment of Executive Officers

On August 24, 2020, effective as of immediately prior to the Distribution, Brian D. Murphy resigned as Co-President and Co-Chief Executive Officer and from all other positions with our company and our subsidiaries and affiliates to serve as President and Chief Executive Officer and a director of AOUT. The Board expressed its sincere gratitude to Mr. Murphy for his years of distinguished service with our company.

On August 24, 2020, our Board of Directors appointed Deana L. McPherson as Executive Vice President, Chief Financial Officer, Treasurer, and Assistant Secretary of our company. Ms. McPherson, age 49, has served as our Chief Accounting Officer since September 2017, as our Vice President since November 2009, and as Corporate Controller since June 2007. From October 2010 to December 2010, Ms. McPherson served as interim Chief Accounting Officer. Prior to joining our Company, Ms. McPherson served as Vice President of Finance for the Heavy Industrial Turbines Global Division of Wood Group PLC, a $5 billion international energy services company, from June 2006 until June 2007; Director of Finance for the Heavy Industrial Turbines Americas Division from August 2003 until June 2006; and Division Controller for the Power Division from November 2001 until August 2003. Ms. McPherson served as Accounting Manager of FiberMark, DSI, Inc. (formerly Rexam DSI, Inc.), a producer of specialty fiber-based materials in the paper and packaging industry, from November 1995 until November 2001. Ms. McPherson, a Certified Public Accountant registered with the state of Massachusetts, served as a Senior Auditor with Deloitte & Touche LLP from June 1992 until November 1995.

We did not enter into or amend any agreements with Ms. McPherson, and no compensatory grants or awards were made to Ms. McPherson in connection with her appointment as Chief Accounting Officer. As an executive officer, Ms. McPherson will be a participant in our Executive Severance Pay Plan. There are no family relationships between Ms. McPherson and any of our directors or executive officers. There have been no transactions since the beginning of our last fiscal year, and no transactions are currently proposed, in which we were or are to be a participant and in which Ms. McPherson or any member of her immediate family had or will have any interest, that are required to be disclosed pursuant to Item 404(a) of Regulation SK

Item 8.01. Other Events.

On August 24, 2020, we issued a press release announcing the completion of the Separation. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

On August 24, 2020, we issued a press release announcing the appointment of Ms. McPherson as our Executive Vice President, Chief Financial Officer, Treasurer, and Assistant Secretary. A copy of the press release is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

(b) *Pro Forma Financial Information.*

Our unaudited pro forma condensed consolidated financial statements giving effect to the Separation as required by Article 11 of Regulation S-X is attached as Exhibit 99.3 to this Current Report on Form 8-K.

(d) *Exhibits.*

Exhibit Number	Exhibits
2.13*	Separation and Distribution Agreement, dated as of August 21, 2020, by and between the Registrant and American Outdoor Brands, Inc.
10.121	Transition Services Agreement, dated as of August 21, 2020, by and between the Registrant and American Outdoor Brands, Inc.
10.122	Tax Matters Agreement, dated as of August 21, 2020, by and between the Registrant and American Outdoor Brands, Inc.
10.123	Employee Matters Agreement, dated as of August 21, 2020, by and between the Registrant and American Outdoor Brands, Inc.
10.124*	Trademark License Agreement, dated as of August 24, 2020, by and between Smith & Wesson Inc. and AOB Products Company
10.125*	Sublease, dated as of August 24, 2020, by and between the Smith & Wesson Sales Company and American Outdoor Brands, Inc.
10.126*	Supply Agreement, dated as of August 24, 2020, by and between Crimson Trace Corporation, as Supplier, and Smith & Wesson Inc.
10.127*	Supply Agreement, dated as of August 24, 2020, by and between AOB Products Company, as Supplier, and Smith & Wesson Inc.
10.128*	Amended and Restated Credit Agreement, dated as of August 24, 2020, by and among the Registrant, Smith & Wesson Sales Company, Smith & Wesson, Inc., the Guarantors, the Lenders, and TD Bank, N.A.
99.1	Press release from the Registrant, dated August 24, 2020, entitled “Smith & Wesson Brands, Inc. Completes Spin-off of American Outdoor Brands, Inc.”
99.2	Press release from the Registrant, dated August 24, 2020, entitled “Smith & Wesson Brands, Inc. Names Deana L. McPherson as CFO”
99.3	Unaudited Pro Forma Condensed Consolidated Financial Statements
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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* Schedules and/or exhibits have been omitted from this filing pursuant to Item 601(a)(5) of Regulation S-K. We agree to furnish supplementally a copy of any omitted schedule or exhibit to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SMITH & WESSON BRANDS, INC.

Date: August 26, 2020

By: */s/ Robert J. Cicero*
Robert J. Cicero
Senior Vice President, General Counsel, Chief Compliance Officer, and Secretary

Exhibit 2.13

SEPARATION AND DISTRIBUTION AGREEMENT

by and between

SMITH & WESSON BRANDS, INC.

and

AMERICAN OUTDOOR BRANDS, INC.

Dated as of August 21, 2020

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Annex A	Transfer Plan

SEPARATION AND DISTRIBUTION AGREEMENT

THIS SEPARATION AND DISTRIBUTION AGREEMENT (together with the Schedules and Annex hereto, as amended, amended and restated, supplemented, or modified from time to time, this "Agreement"), is entered into as of August 21, 2020, by and between Smith & Wesson Brands, Inc., a Nevada corporation ("SWBI"), and American Outdoor Brands, Inc., a Delaware corporation ("AOUT").

RECITALS

Capitalized terms used in these recitals without definition have the meanings set forth in Section 1.1.

WHEREAS, the Board of Directors of SWBI has determined that it is in the best interests of SWBI and its stockholders to separate the Outdoor Products and Accessories Business from the Firearm Business;

WHEREAS, AOUT is a wholly owned Subsidiary of SWBI that has been incorporated for the sole purpose of, and has not engaged in activities except in preparation for, the Distribution and the transactions contemplated by this Agreement;

WHEREAS, in furtherance of the foregoing, the Board of Directors of SWBI has determined that it is in the best interests of SWBI and its stockholders to distribute to the holders of the issued and outstanding shares of common stock, par value $0.001 per share, of SWBI (the "SWBI Common Stock") as of the Record Date, by means of a pro rata dividend, 100% of the issued and outstanding shares of common stock, par value $0.001 per share, of AOUT (the "AOUT Common Stock"), on the basis of one share of AOUT Common Stock for every four then issued and outstanding shares of SWBI Common Stock (the "Distribution");

WHEREAS, SWBI and AOUT have prepared, and AOUT has filed with the Commission, the Form 10, which includes the Information Statement, and which sets forth appropriate disclosures concerning AOUT and the Distribution, and the Form 10 has become effective under the Exchange Act;

WHEREAS, the Distribution will be preceded by, among other things, (a) the Transfer, pursuant to which, among other things, the AOUT Assets will be contributed to AOUT (the "Contribution"), and (b) the entry by AOUT into the AOUT Financing Arrangements;

WHEREAS, for United States federal income tax purposes, it is intended that the Contribution and the Distribution, taken together, will qualify as a "reorganization" within the meaning of Section 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended (the "Code"), and a distribution to which Section 355 of the Code applies, and it is a condition to the Distribution that SWBI will have obtained the Tax Opinion to such effect as contemplated by Section 3.1(a)(x);

WHEREAS, this Agreement, together with the Ancillary Agreements and other documents implementing the Contribution and Distribution, is intended to be, and is hereby adopted as, a "plan of reorganization" within the meaning of Treas. Reg. Section 1.368-2(g); and

WHEREAS, the parties hereto have determined to set forth the principal actions required to effect the Distribution and to set forth certain agreements that will govern the relationship between those parties following the Distribution.

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, the parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions. As used in this Agreement, the following terms have the following meanings:

"Action" means any demand, claim, suit, action, arbitration, inquiry, investigation, or other proceeding by or before any Governmental Authority or any arbitration or mediation tribunal.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such other Person. For the purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by Contract, or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing. Notwithstanding any provision of this Agreement to the contrary (except where the relevant provision states explicitly to the contrary), no member of the SWBI Group, on the one hand, and no member of the AOUT Group, on the other hand, shall be deemed to be an Affiliate of the other.

"Agreement" has the meaning set forth in the preamble to this Agreement.

"Amended and Restated Bylaws" has the meaning set forth in Section 2.2(c).

"Amended and Restated Certificate of Incorporation" has the meaning set forth in Section 2.2(c).

"Ancillary Agreement" means each of the Tax Matters Agreement, the Transition Services Agreement, the Employee Matters Agreement, the Transfer Agreements, the Post-Distribution Commercial Agreements, the Sublease, the Trademark License Agreement, and any other agreements, instruments, or certificates related thereto or to the transactions contemplated by this Agreement (in each case, together with the schedules, exhibits, annexes, and other attachments thereto).

"AOUT" has the meaning set forth in the preamble to this Agreement.

"AOUT Assets" means, except as expressly otherwise contemplated in this Agreement or any Ancillary Agreement, all right, title, and interest of SWBI and/or its Subsidiaries in the following assets (as determined by SWBI in its sole discretion):

(a) all interests of whatever nature in the real property listed on Schedule 1.1(a), together with all buildings, fixtures, and improvements erected thereon (the "AOUT Facilities");

(b) all interests in personal property, fixtures, machinery, furniture, office equipment, automobiles, motor vehicles, and other transportation equipment, special and general tools, test devices, prototypes and models, and other tangible personal property (other than any Intellectual Property) located at the AOUT Facilities;

(c) all inventories of materials, supplies, goods in transit, customer returns, and work-in-process and finished goods and products, in each case of whatever kind, nature, or description, in each case solely to the extent exclusively related to or exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business;

(d) all interests in any capital stock or other equity securities or interests of or in any member of the AOUT Group;

(e) all deposits, letters of credit, and performance and surety bonds, in each case solely to the extent exclusively related to or exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business;

(f) all prepaid expenses, trade accounts, and other accounts and notes receivable, in each case solely to the extent exclusively related to or exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business;

(g) the Patent Rights listed on Schedule 1.1(b) and all other Intellectual Property (other than Patent Rights) solely to the extent exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business, including such other Intellectual Property (including software) listed on Schedule 1.1(d) (and excluding the Intellectual Property listed on Schedule 1.1(c));

(h) the IT Assets set forth on Schedule 1.1(d) and all IT Assets solely to the extent exclusively related to or exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business;

(i) all Contracts (including Contracts related to Intellectual Property and IT Assets) and any rights thereunder, in each case solely to the extent primarily related to or primarily used or primarily held for use in connection with the Outdoor Products and Accessories Business, including the Contracts set forth on Schedule 1.1(e);

(j) all claims, causes of action, and similar rights, whether accrued or contingent, in each case solely to the extent primarily related to the Outdoor Products and Accessories Business;

(k) all employee Contracts with any AOUT Participants, including the right thereunder to restrict any AOUT Participant from competing in certain respects;

(l) all Permits exclusively related to or exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business;

(m) Cash and Cash Equivalents solely to the extent (i) located at the AOUT Facilities or (ii) exclusively related to or exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business;

(n) subject to the foregoing clause (m), all bank accounts, lock boxes, and other deposit arrangements, and all brokerage accounts, in each case solely to the extent (i) located at the AOUT Facilities or (ii) exclusively related to or exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business;

(o) all accounting and other legal and business books, records, minute books, corporate documents, ledgers, and files and all personnel records, in each case, whether printed, electronic, contained on storage media or written, or in any other form, in each case solely to the extent primarily related to or primarily used or primarily held for use in connection with the Outdoor Products and Accessories Business;

(p) (i) all Confidential Information, (ii) all cost information, sales and pricing data, supplier records, supplier lists, vendor data, correspondence, and lists, and (iii) all product data and literature, brochures, marketing and sales literature, advertising catalogues, photographs, display materials, media materials, packaging materials, artwork, designs, formulations and specifications, quality records, and reports (other than any Intellectual Property in any of the foregoing and excluding any Commercial Data), in each case solely to the extent primarily related to or primarily used or primarily held for use in connection with the Outdoor Products and Accessories Business;

(q) all Commercial Data to the extent primarily related to or primarily used or primarily held for use in connection with the Outdoor Products and Accessories Business (for the avoidance of doubt, the parties acknowledge and agree that neither SWBI nor any member of the SWBI Group is receiving any money or other valuable consideration in exchange for AOUT's retention and use of the consumer database of purchasers of firearm and accessories products branded with trademarks owned by the SWBI Group);

(r) all goodwill associated with the Outdoor Products and Accessories Business or the assets described in clauses (a)-(q) and (s) of this definition; and

(s) any other assets, of whatever sort, nature, or description, that are exclusively related to or exclusively used or exclusively held for use in connection with the Outdoor Products and Accessories Business, including the assets set forth on Schedule 1.1(f).

"AOUT Assumed Actions" has the meaning set forth in Section 4.2(a).

"AOUT Common Stock" has the meaning set forth in the recitals to this Agreement.

"AOUT Credit Facility" means that certain loan and security agreement to be dated on or around August 24, 2020, by and among AOB Products Company and Crimson Trace Corporation, each a direct or indirect Subsidiary of AOUT, any other Borrowers (as defined therein) from time to time parties thereto, the several banks and other financial institutions or entities from time to time parties thereto, and TD Bank, N.A., as administrative agent, as such agreement may be amended, amended and restated, supplemented, or modified from time to time.

"AOUT Designee" has the meaning set forth in Section 2.3(a).

"AOUT Financing Arrangements" means (a) the AOUT Credit Facility and (b) the other Loan Documents (as defined in the AOUT Credit Facility).

"AOUT Financing Transactions" has the meaning set forth in Section 2.2(b).

"AOUT Group" means AOUT and its Subsidiaries as set forth on Schedule 1.1(g), including all predecessors and successors to such Persons.

"AOUT Indemnitees" and "AOUT Indemnitee" have the meanings set forth in Section 5.3(a).

"AOUT Liabilities" means (without duplication) all of the following of SWBI and/or its Subsidiaries (as determined by SWBI in its sole discretion):

(a) any and all Liabilities to the extent relating to, arising out of or in connection with, or resulting from the Outdoor Products and Accessories Business, the business and operation of the AOUT Assets, as currently or formerly operated (including as conducted or operated by any predecessor of any member of the SWBI Group or the AOUT Group), including the following Liabilities:

(i) all Liabilities relating to, arising out of or in connection with, or resulting from the AOUT Financing Arrangements;

(ii) any and all Environmental Liabilities to the extent relating to, arising out of or in connection with, or resulting from the AOUT Assets or the Outdoor Products and Accessories Business, as currently or formerly operated (including as conducted or operated by any predecessor of any member of the SWBI Group or the AOUT Group), and any currently or formerly owned, leased, or operated real property, facilities, factories, or manufacturing sites of the foregoing, including the Environmental Liabilities set forth on Schedule 1.1(h);

(iii) all Liabilities set forth on Schedule 1.1(i); and

(b) all Liabilities that are expressly contemplated by this Agreement or any of the Ancillary Agreement as Liabilities to be retained or assumed by AOUT or any other member of the AOUT Group, and all agreements, obligations, and other Liabilities of AOUT or any member of the AOUT Group under this Agreement or any of the Ancillary Agreements;

provided that, notwithstanding the foregoing, the AOUT Liabilities shall not include (i) any Liabilities for Taxes, which shall be governed by the Tax Matters Agreement, or (ii) any Liabilities for the employment, employee benefits, and employee compensation matters expressly covered by the Employee Matters Agreement, all of which shall be governed by the Employee Matters Agreement.

“AOUT Names and Marks” means any and all Trademarks of AOUT or any of its Affiliates (other than any Trademark included in the SWBI Assets), including, for the avoidance of doubt, those set forth on Schedule 1.1(b) and any that use, contain, or include “American Outdoor Brands,” in each case either alone or in combination with other words, phrases, or logos, and any and all Trademarks derived therefrom or confusingly similar thereto.

“AOUT Participants” has the meaning set forth in the Employee Matters Agreement.

“Applicable Law” means, with respect to any Person, any federal, state, local, or foreign law (statutory, common, or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling, directive, guidance, instruction, direction, permission, waiver, notice, condition, limitation, restriction or prohibition, or other similar requirement enacted, adopted, promulgated, imposed, issued, or applied by a Governmental Authority that is binding upon or applicable to such Person, its properties or assets, or its business or operations.

“Business” means, with respect to the SWBI Group, the Firearm Business and, with respect to the AOUT Group, the Outdoor Products and Accessories Business.

“Business Day” means any day, other than Saturday, Sunday, or other day on which commercial banks in New York, New York are authorized or required by Applicable Law to close.

“Cash and Cash Equivalents” means cash or cash equivalents, certificates of deposit, banker’s acceptances, and other investment securities of any form or maturity.

“Claim” has the meaning set forth in Section 5.4(a).

“Code” has the meaning set forth in the recitals to this Agreement.

“Commercial Data” means any and all data and information relating to an identified or identifiable Person (whether the information is accurate or not), alone or in combination with other information, which Person is or was an actual or prospective customer of, or consumer of products offered by, the Outdoor Products and Accessories Business and/or the Firearm Business, as applicable.

"Commission" means the United States Securities and Exchange Commission.

"Confidential Information" means, with respect to a Group, (a) any proprietary information that is competitively sensitive, material, or otherwise of value to the members of such Group and not generally known to the public, including product planning information, marketing strategies, financial information, information regarding operations, consumer and/or customer relationships, consumer and/or customer profiles, sales estimates, business plans, and internal performance results relating to the past, present, or future business activities of the members of such Group and the consumers, customers, clients, and suppliers of the members of such Group, (b) any proprietary scientific or technical information, design, invention, process, procedure, formula, or improvement that is commercially valuable and secret in the sense that its confidentiality affords any member of such Group a competitive advantage over its competitors, and (c) all confidential or proprietary concepts, documentation, reports, data, specifications, computer software, source code, object code, flow charts, databases, inventions, information, and trade secrets, in the case of each of clauses (a), (b), and (c) of this definition, that are related primarily to such Group's Business; provided that to the extent both the Firearm Business and the Outdoor Products and Accessories Business use or rely upon any of the information described in any of the foregoing clauses (a), (b), and/or (c), subject to Section 4.7, such information shall be deemed the Confidential Information of both the SWBI Group and the AOUT Group.

"Contract" means any written or oral commitment, contract, subcontract, agreement, arrangement, sublease, license, understanding, sales order, purchase order, instrument, indenture, note, or any other legally binding commitment or undertaking.

"Contribution" has the meaning set forth in the recitals to this Agreement.

"Cyber Event" means any actual unauthorized, accidental, or unlawful access, use, exfiltration, theft, disablement, destruction, loss, alteration, disclosure, transmission of any IT Assets owned or used by or on behalf of either party or any member of its Group, or any information or data (including any personally identifiable information) stored therein or transmitted thereby.

"Cyber Insurance Event" has the meaning set forth in Section 4.10(c).

"Cyber Policies" has the meaning set forth in Section 4.10(c).

"Delaware Courts" has the meaning set forth in Section 6.9.

"Disposing Party" has the meaning set forth in Section 4.5.

"Distribution" has the meaning set forth in the recitals to this Agreement.

"Distribution Agent" means Issuer Direct Corporation.

"Distribution Date" means August 24, 2020, the date on which the Distribution shall be effected.

"Distribution Documents" means this Agreement and the Ancillary Agreements.

"Distribution Time" means the time at which the Distribution is effective on the Distribution Date, which shall, to the fullest extent permitted by Applicable Law, be deemed to be 12:01 a.m. Eastern Time on the Distribution Date.

"Employee Matters Agreement" means the Employee Matters Agreement, dated as of the date hereof, by and between SWBI and AOUT, substantially in the form of Exhibit A attached hereto, as such agreement may be amended, amended and restated, supplemented, or modified from time to time.

"Environmental Law" means any Applicable Law relating to (a) human or occupational health and safety, (b) pollution or protection of the environment (including ambient air, indoor air, water vapor, surface water, groundwater, wetlands, drinking water supply, land surface or subsurface strata, biota, and other natural resources), or (c) Hazardous Materials, including any Applicable Law relating to exposure to, or use, generation, manufacture, processing, management, treatment, recycling, storage, disposal, emission, discharge, transport, distribution, labeling, presence, possession, handling, Release, or threatened Release of, any Hazardous Material and any Applicable Law relating to recordkeeping, notification, disclosure, registration, and reporting requirements respecting Hazardous Materials.

"Environmental Liabilities" means all Liabilities (including all removal, remediation, reclamation, cleanup or monitoring costs, investigatory costs, response costs, natural resources damages, property damages, personal injury damages, costs of compliance with any settlement, judgment, or other determination of Liability and indemnity, contribution, or similar obligations and all costs and expenses, interest, fines, penalties, or other monetary sanctions in connection therewith) relating to, arising out of, or resulting from any (a) (i) Environmental Law, (ii) actual or alleged generation, use, storage, manufacture, processing, recycling, labeling, handling, possession, management, treatment, transportation, distribution, emission, discharge or disposal, or arrangement for the transportation or disposal, of any Hazardous Material, or (iii) actual or alleged presence, Release or threatened Release of, or exposure to, any Hazardous Material (including to the extent relating to the actual or alleged exposure to Hazardous Material, any claims that arise under, or are covered by, workers' compensation laws and/or workers' compensation, disability, or other insurance providing medical care and/or compensation to injured workers), or (b) Contract or other consensual arrangement pursuant to which Liability is assumed or imposed with respect to any of the foregoing, and all costs and expenses, interest, fines, penalties, or other monetary sanctions in connection therewith.

"Equity Compensation Registration Statement" means the Registration Statement on Form S-8 or on such other form or forms as may be appropriate, as amended, supplemented, or modified from time to time, including all documents incorporated by reference therein, to effect the registration under the Securities Act of the AOUT Common Stock subject to certain equity awards granted to current and former officers, employees, and directors of the SWBI Group to be assumed or replaced by AOUT pursuant to the Employee Matters Agreement.

"Escheat Payment" means any payment required to be made to a Governmental Authority pursuant to an abandoned property, escheat, or similar law.

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

"Firearm Business" means all of the businesses conducted by SWBI and its Subsidiaries from time to time, whether before, on, or after the Distribution, other than the Outdoor Products and Accessories Business. For the avoidance of doubt, the AOUT Assets (and all assets and properties owned, directly or indirectly, by entities forming all or part of such assets) will not be considered part of the Firearm Business.

"Form 10" means the Registration Statement on Form 10 filed by AOUT with the Commission to effect the registration of AOUT Common Stock pursuant to the Exchange Act in connection with the Distribution, as such Registration Statement may be amended, supplemented, or modified from time to time.

"Governmental Authority" means any multinational, foreign, federal, state, local, or other governmental, statutory, or administrative authority, regulatory body, or commission or any court, tribunal, or judicial or arbitral authority which has any jurisdiction or control over either party (or any of their Affiliates).

"Group" means, as the context requires, the AOUT Group, the SWBI Group, or either or both of them.

"Guarantee" has the meaning set forth in Section 2.9.

"Hazardous Material" means (a) any petroleum or petroleum products, radioactive materials, toxic mold, radon, asbestos, or asbestos-containing materials in any form, lead-based paint, urea formaldehyde foam insulation, Per- and Polyfluoroalkyl Substances (PFAs), or polychlorinated biphenyls (PCBs); and (b) any chemicals, materials, substances, compounds, mixtures, products or byproducts, biological agents, living or genetically modified materials, pollutants, contaminants, or wastes that are now or hereafter become defined or characterized as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "special waste," "toxic substances," "pollutants," "contaminants," "toxic," "dangerous," "corrosive," "flammable," "reactive," "radioactive," or words of similar import, under any Applicable Law pertaining to the environment.

"Indemnified Party" has the meaning set forth in Section 5.4(a).

"Indemnifying Party" has the meaning set forth in Section 5.4(a).

"Indemnitees" means, as the context requires, the SWBI Indemnitees or the AOUT Indemnitees.

"Information Statement" means the Information Statement to be sent to each holder of SWBI Common Stock in connection with the Distribution, as amended, supplemented, or modified from time to time.

"Intellectual Property" means any and all intellectual property throughout the world, including any and all U.S. and foreign (a) patents, invention disclosures, and all related continuations, continuations-in-part, divisionals, provisionals, renewals, reissues, re-examinations, additions, extensions (including all supplementary protection certificates), and all applications and registrations therefor (collectively, "Patent Rights"), (b) trademarks, service marks, names, corporate names, trade names, domain names, social media identifiers, logos, slogans, trade dress, design rights, and other similar business identifiers or designations of source or origin and all applications and registrations therefor, together with the goodwill symbolized by any of the foregoing (collectively, "Trademarks"), (c) copyrights, works of authorship, and copyrightable subject matter and all applications and registrations therefor, (d) trade secrets, know-how, confidential data and information, technical information, including practices, techniques, methods, processes, inventions, developments, specifications, formulations, manufacturing processes, structures, analytical and quality control information and procedures, studies and procedures, and regulatory information, (e) computer software (including source code, object code, firmware, operating systems, and specifications), (f) databases and data collections, and (g) all rights to sue or recover and retain damages and costs and attorneys' fees for the past, present, or future infringement, misappropriation, or other violation of any of the foregoing.

"Intercompany Accounts" has the meaning set forth in Section 2.6.

"IT Assets" means computers, software, firmware, middleware, servers, workstations, routers, hubs, switches, data communications lines, and all other information technology assets or other equipment storing or processing information, including all associated documentation related to any of the foregoing.

"Liabilities" means any and all Claims, debts, liabilities, damages, and/or obligations (including, but not limited to, any Escheat Payment) of any kind, character, or description, whether absolute or contingent, matured or not matured, liquidated or unliquidated, accrued or unaccrued, known or unknown, whenever arising, including all costs and expenses (including reasonable attorneys' fees and expenses and associated investigation costs) relating thereto, and including those Claims, debts, liabilities, damages, and/or obligations arising under this Agreement and/or the other Distribution Documents, any Applicable Law, any Action or threatened Action, any order or consent decree of any Governmental Authority or any award of any arbitrator of any kind, and those arising under any agreement, commitment, or undertaking, including in connection with the enforcement of rights hereunder or thereunder.

"Nasdaq" means the Nasdaq Stock Market.

"Outdoor Products and Accessories Business" means the businesses, operations, products, services, and activities of SWBI's outdoor products and accessories business, as more fully described in the Form 10 and the Information Statement.

"Patent Rights" has the meaning set forth in Section 1.1 under the definition of "Intellectual Property."

"Permit" means any license, permit, approval, consent, certification, franchise, registration, or authorization, including marketing authorizations for any products requiring such to be sold, which have been issued by or obtained from any Governmental Authority.

"Person" means an individual, corporation, partnership, limited liability company, association, trust, or other entity or organization, including a Governmental Authority.

"Post-Distribution Commercial Agreements" means one or more commercial agreements or arrangements entered into between SWBI and AOUT (or members of the SWBI Group or the AOUT Group, as applicable) set forth on Schedule 1.1(j), as more fully described in the Form 10 and the Information Statement, as each such agreement or arrangement may be amended, amended and restated, supplemented, or modified from time to time.

"Post-Distribution Insurance Arrangements" has the meaning set forth in Section 4.10(a).

"Privileges" and "Privilege" have the meanings set forth in Section 4.1(b).

"Privileged Information" has the meaning set forth in Section 4.7(b).

"Receiving Party" has the meaning set forth in Section 4.5.

"Record Date" means the close of business on August 10, 2020, the date determined by the Board of Directors of SWBI as the record date for determining the stockholders of SWBI entitled to the Distribution.

"Release" means any release, spill, emission, leaking, dumping, pumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching, or migration into, onto, within, or through the indoor or outdoor environment (including ambient air, surface water, groundwater, land surface or subsurface strata, soil, and sediments) or into, through, or within any property, building, structure, fixture, or equipment.

"Released Parties" and "Released Party" have the meanings set forth in Section 5.1(a).

"Representatives" has the meaning set forth in Section 4.6.

"Securities Act" means the Securities Act of 1933, as amended.

"Sublease" means the Sublease entered into between SWBI and AOUT (or members of their respective Groups) prior to the date hereof with respect to the occupancy or use by AOUT (or members of its Group) of certain owned or leased facilities of SWBI set forth on Schedule 1.1(k), as such agreement may be amended, amended and restated, supplemented, or modified from time to time.

"Subsidiary" means, with respect to any Person, any other Person (other than an individual) of which capital stock or other equity securities or interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at the time directly or indirectly owned by such Person.

"SWBI" has the meaning set forth in the preamble to this Agreement

"SWBI Assets" means all assets, of whatever sort, nature, or description, of SWBI and/or its Subsidiaries (including any member of the AOUT Group) other than the AOUT Assets, including, for the avoidance of doubt, (a) any Trademarks that use, contain, or include "Smith & Wesson," either alone or in combination with other words, phrases, or logos and (b) the assets set forth on Schedule 1.1(l).

"SWBI Assumed Actions" has the meaning set forth in Section 4.2(b).

"SWBI Claims-Made Policies" has the meaning set forth in Section 4.10(b).

"SWBI Common Stock" has the meaning set forth in the recitals to this Agreement.

"SWBI Designee" has the meaning set forth in Section 2.3(a).

"SWBI Group" means SWBI and its Subsidiaries (other than any member of the AOUT Group) as set forth on Schedule 1.1(m), including all predecessors and successors to such Persons.

"SWBI Indemnitees" and "SWBI Indemnitee" have the meanings set forth in Section 5.2(a).

"SWBI Liabilities" means (without duplication) all of the following of SWBI and/or its Subsidiaries (as determined by SWBI in its sole discretion):

(a) all Liabilities solely to the extent relating to, arising out of or in connection with, or resulting from the Firearm Business or the business and operation of the SWBI Assets, as currently or formerly operated (including as conducted or operated by any predecessor of any member of the SWBI Group or the AOUT Group), including those Liabilities set forth on Schedule 1.1(n); and

(b) all Liabilities that are expressly contemplated by this Agreement or any other Ancillary Agreement as Liabilities to be retained or assumed by SWBI or any other member of the SWBI Group, and all agreements, and other Liabilities of SWBI or any member of the SWBI Group under this Agreement or any of the Ancillary Agreements;

provided that, notwithstanding the foregoing, the SWBI Liabilities shall not include (i) any Liabilities for Taxes, which shall be governed by the Tax Matters Agreement or (ii) any Liabilities for the employment, employee benefits, and employee compensation matters expressly covered by the Employee Matters Agreement, all of which shall be governed by the Employee Matters Agreement.

"SWBI Loss-Discovered Policies" has the meaning set forth in Section 4.10(b).

"SWBI Names and Marks" means any and all Trademarks of SWBI or any of its Affiliates (other than any Trademark included in the AOUT Assets), including, for the avoidance of doubt, those set forth on Schedule 1.1(c) and any that use, contain, or include "Smith & Wesson," in each case either alone or in combination with other words, phrases, or logos, and any and all Trademarks derived therefrom or confusingly similar thereto.

"SWBI Occurrence-Based Policy" has the meaning set forth in Section 4.10(b).

"SWBI Shared Policies" has the meaning set forth in Section 4.10(b).

"Tax" or "Taxes" has the meaning set forth in the Tax Matters Agreement.

"Tax Benefit" means any refund, credit, offset, or other reduction in otherwise required Tax payments.

"Tax Matters Agreement" means the Tax Matters Agreement dated as of the date hereof between SWBI and AOUT substantially in the form of Exhibit B, as such agreement may be amended, amended and restated, supplemented, or modified from time to time.

"Tax Opinion" has the meaning set forth in the Tax Matters Agreement.

"Third Party" means any Person that is not a member or an Affiliate of a member of the AOUT Group or the SWBI Group.

"Third Party Claim" has the meaning set forth in Section 5.4(b).

"Trademark License Agreement" means the Trademark License Agreement, dated as of the date hereof, by and between Smith & Wesson Inc. and AOB Products Company, substantially in the form of Exhibit C, as such agreement may be amended, amended and restated, supplemented, or modified from time to time.

"Trademarks" has the meaning set forth in Section 1.1 under the definition of "Intellectual Property."

"Transfer" means the contribution of certain businesses, assets, and liabilities of the SWBI Group and the AOUT Group to be completed before the Distribution Time in accordance with the Transfer Plan.

"Transfer Agreements" has the meaning set forth in Section 2.4.

"Transfer Plan" means that certain Transfer Plan, dated as of August 21, 2020, attached hereto as Annex A, as such Transfer Plan may be amended, amended and restated, supplemented, or modified from time to time.

"Transition Services Agreement" means the Transition Services Agreement dated as of the date hereof between SWBI and AOUT substantially in the form of Exhibit D, as such agreement may be amended, amended and restated, supplemented, or modified from time to time.

Section 1.2 Interpretation. In this Agreement, unless the context clearly indicates otherwise:

(a) words used in the singular include the plural and words used in the plural include the singular;

(b) references to any Person include such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement;

(c) except as otherwise clearly indicated, reference to any gender includes the other gender;

(d) the words "include," "includes," and "including" shall be deemed to be followed by the words "without limitation";

(e) reference to any Article, Section, Exhibit, Schedule, or Annex means such Article or Section of, or such Exhibit, Schedule, or Annex to, this Agreement, as the case may be, and references in any Section or definition to any clause means such clause of such Section or definition;

(f) the words "herein," "hereunder," "hereof," "hereto," and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Section or other provision hereof;

(g) reference to any agreement, instrument, or other document means such agreement, instrument, or other document as amended, amended and restated, supplemented, or modified from time to time to the extent permitted by the provisions thereof and by this Agreement;

(h) reference to any law (including statutes and ordinances) means such law (including all rules and regulations promulgated thereunder) as amended, modified, codified, or reenacted, in whole or in part, and in effect at the time of determining compliance or applicability;

(i) relative to the determination of any period of time, "from" means "from and including," "to" means "to and including," and "through" means "through and including";

(j) the titles to Articles and headings of Sections contained in this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of or to affect the meaning or interpretation of this Agreement;

(k) unless otherwise specified in this Agreement, all references to dollar amounts herein shall be in respect of lawful currency of the United States; and

(l) any capitalized term used in an Exhibit, Schedule, or Annex but not otherwise defined therein shall have the meaning set forth in this Agreement.

ARTICLE 2
PRE-DISTRIBUTION ACTIONS

Section 2.1 Information Statement; Listing. SWBI shall mail (or shall cause to be mailed) the Information Statement to the holders of SWBI Common Stock as of the Record Date. SWBI and AOUT

shall take (or shall cause to be taken) all such lawful actions as may be necessary or appropriate under the securities or blue sky laws of states or other political subdivisions of the United States and shall use (or cause to be used) commercially reasonable efforts to comply with all applicable foreign securities laws in connection with the transactions contemplated by this Agreement and the Ancillary Agreements. AOUT shall prepare, file, and pursue (or shall cause to be prepared, filed, and pursued) an application to permit listing of the AOUT Common Stock on Nasdaq.

Section 2.2 The Transfer and Other Related Actions.

(a) The Transfer. At or prior to the Distribution Time, to the extent not already consummated, each of SWBI and AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members of its Group to, consummate the Transfer.

(b) AOUT Financing Arrangements. In connection with the Transfer, at or prior to the Distribution Time, to the extent not already entered into, AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members of its Group to, enter into the AOUT Financing Arrangements and related financing transactions described in the Information Statement as occurring prior to the Distribution Date (collectively, the "AOUT Financing Transactions").

(c) Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws. At or prior to the Distribution Time, to the extent not already consummated, (i) SWBI, as the sole stockholder of AOUT, and AOUT shall each take all lawful action that may be required to provide for the adoption by AOUT of an amended and restated certificate of incorporation of AOUT, substantially in the form of Exhibit E (the "Amended and Restated Certificate of Incorporation"), and amended and restated bylaws of AOUT, substantially in the form of Exhibit F (the "Amended and Restated Bylaws"), and (ii) AOUT shall file (or shall cause to be filed) the Amended and Restated Certificate of Incorporation of AOUT with the Secretary of State of the State of Delaware.

(d) Distribution Agent. At or prior to the Distribution Time, to the extent not already entered into, SWBI shall enter into a distribution agent agreement with the Distribution Agent or otherwise provide instructions to the Distribution Agent regarding the Distribution.

(e) Satisfying Conditions to the Distribution. SWBI and AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members of their respective Group to, cooperate to cause the conditions to the Distribution set forth in Section 3.1 to be satisfied (or waived by SWBI) and to effect the Distribution at the Distribution Time upon such satisfaction (or waiver by SWBI).

Section 2.3 Transfers of Certain Other Assets and Liabilities. At or prior to the Distribution Time, to the extent not already consummated and unless otherwise provided in this Agreement or in any Ancillary Agreement:

(a) SWBI shall, and shall, to the fullest extent permitted by Applicable Law, cause the relevant member of the SWBI Group to, assign, contribute, convey, transfer, and deliver to AOUT or any member of the AOUT Group designated by AOUT (an "AOUT Designee") all of the right, title, and interest of SWBI or such member of the SWBI Group in and to all of the AOUT Assets, if any, of SWBI or such member of the SWBI Group, and AOUT shall, or shall, to the fullest extent permitted by Applicable Law, cause the relevant AOUT Designee to, as applicable, accept such AOUT Assets.

(b) AOUT shall, and shall to the fullest extent permitted by Applicable Law, cause the relevant member of the AOUT Group to, assign, contribute, convey, transfer, and deliver to SWBI or any member of the SWBI Group designated by SWBI (a "SWBI Designee") all of the right, title, and interest of AOUT or such member of the AOUT Group in and to all of the SWBI Assets, if any, held by AOUT or such member of the AOUT Group and SWBI shall, or shall to the fullest extent permitted by Applicable Law, cause the relevant SWBI Designee to, as applicable, accept such SWBI Assets.

(c) SWBI shall, and shall, to the fullest extent permitted by Applicable Law, cause the relevant member of the SWBI Group to, assign, contribute, convey, transfer, and deliver to AOUT or any AOUT Designee all of the AOUT Liabilities, if any, of SWBI or such member of the SWBI Group, and AOUT shall, or shall, to the fullest extent permitted by Applicable Law, cause the relevant AOUT Designee to, as applicable, accept, assume and agree, to perform, discharge, and fulfill, all of the AOUT Liabilities.

(d) AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the relevant member of the AOUT Group to, assign, contribute, convey, transfer, and deliver to SWBI or any SWBI Designee all of the SWBI Liabilities, if any, of AOUT or such member of the AOUT Group, and SWBI shall, or shall, to the fullest extent permitted by Applicable Law, cause the relevant SWBI Designee to, as applicable, accept, assume and agree to perform, discharge, and fulfill, all of the SWBI Liabilities.

(e) To the extent any assignment, contribution, conveyance, transfer or delivery, or acceptance or assumption of any asset or Liability of either Group is not effected in accordance with this Section 2.3 at or prior to the Distribution Time for any reason (including as a result of the failure of the parties to identify it as being required to be transferred pursuant to this Section 2.3, but subject to Section 2.4), the relevant party shall and shall, to the fullest extent permitted by Applicable Law, cause the other members of its Group to, use all commercially reasonable efforts to effect such transfer as promptly thereafter as practicable.

Section 2.4 Transfer Agreements. The transfers of the various entities and the contribution, assignment, transfer, conveyance, and delivery of the assets and the acceptance and assumption of the Liabilities contemplated by Section 2.3 and the Transfer Plan will be effected, in certain cases, pursuant to one or more asset transfer agreements, share transfer agreements, business transfer agreements, certificates of demerger and merger, and other agreements and instruments (collectively, the "Transfer Agreements"); provided that, in each case, it is intended that the Transfer Agreements shall serve purely to effect (a) the legal transfer of the AOUT Assets or SWBI Assets to the relevant member of the AOUT Group or the SWBI Group, as applicable, in accordance with the Transfer Plan or as contemplated by Section 2.3, and (b) the acceptance and assumption of the AOUT Liabilities or the SWBI Liabilities by a member of the AOUT Group or the SWBI Group, as applicable, in accordance with the Transfer Plan or as contemplated by Section 2.3. In the event of any conflict between any Transfer Agreement and this Agreement, the terms of such Transfer Agreement shall control solely with respect to any applicable purchase price adjustment or cash adjustment set forth in any such Transfer Agreement and this Agreement shall control in all other respects; provided that, notwithstanding anything in any Transfer Agreement to the contrary, in the event any Transfer Agreement provides for a purchase price adjustment or cash adjustment, whether based upon a calculation of fair market value or otherwise, or any similar adjustment provision, any purchase price adjustment or cash adjustment determination under such Transfer Agreement, including as to the amount, if any, of any such adjustment, shall be determined by SWBI in its sole discretion. Notwithstanding anything in any Transfer Agreement to the contrary, neither SWBI nor any other member of the SWBI Group, on the one hand, nor AOUT nor any other member of the AOUT Group, on the other hand, shall commence, bring, or otherwise initiate any Action under any Transfer Agreement.

Section 2.5 Agreement Relating to Consents Necessary to Transfer Assets and Liabilities. Notwithstanding any provision of this Agreement to the contrary, this Agreement shall not constitute an agreement to assign, contribute, convey, transfer, deliver, or accept any asset (including any Contract) or any claim or right or any benefit arising thereunder or resulting therefrom, or to assume any Liability, if

such assignment, contribution, conveyance, transfer, delivery, or acceptance, or such assumption without the consent of a Third Party or a Governmental Authority, would result in a breach, or constitute a default (or an event which, with the giving of notice or lapse of time, or both, would become a default), under any Contract or would otherwise adversely affect the rights of a member of the SWBI Group or the AOUT Group, as applicable, thereunder. SWBI and AOUT will use their respective commercially reasonable efforts to obtain the consent of any Third Party (including any Governmental Authority), if any, required in connection with the transfer, assignment, or assumption pursuant to Section 2.3 of any such asset or any such claim or right or benefit arising thereunder or to the assumption of any Liability; provided that in no event shall any member of a Group have any Liability whatsoever to any member of the other Group for any failure to obtain any such consent. If and when such consent is obtained, such transfer, assignment, and/or assumption shall be effected in accordance with the terms of this Agreement and/or the relevant Ancillary Agreement. During the period in which any transfer, assignment, or assumption is delayed pursuant to this Section 2.5 as a result of the absence of a required consent, the party (or relevant other member of its Group) retaining such asset, claim, or right shall thereafter hold (or shall cause, to the fullest extent permitted by Applicable Law, such member of its Group to hold) such asset, claim, or right for the use and benefit of the party (or relevant other member of its Group) entitled thereto (at the expense of the Person entitled thereto) and the party intended to assume such Liability shall, or shall, to the fullest extent permitted by Applicable Law, cause the relevant other member of its Group to, pay, hold harmless, or reimburse the party (or the other relevant member of its Group) retaining such Liability for all amounts paid, incurred in connection with, or arising out of the retention of such Liability. In addition, the party retaining such asset, claim, or right, or such Liability (or other relevant member of its Group) shall (or shall cause, to the fullest extent permitted by Applicable Law, such member of its Group to) treat, insofar as reasonably possible and to the fullest extent permitted by Applicable Law, such asset, claim, or right, or such Liability, in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the Person to which such asset, claim, or right, or such Liability, is to be assigned, contributed, conveyed, transferred, delivered, accepted, or assumed in order to place such Person, insofar as reasonably possible, in the same position as if such asset, claim, or right, or such Liability, had been assigned, contributed, conveyed, transferred, delivered, accepted, or assumed on or prior to the Distribution Time as contemplated by this Agreement and so that all the benefits and burdens relating to such asset, claim, or right, or such Liability, including possession, use, risk of loss, potential for gain, and dominion, control, and command over such asset, claim, or right, or such Liability, are to inure from and after the Distribution Time to the relevant member of the SWBI Group or the AOUT Group, as applicable, entitled to the receipt of such asset, claim, or right, or required to assume such Liability.

Section 2.6 Intercompany Accounts. SWBI and AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members of their respective Group to, use commercially reasonable efforts to settle on or prior to the Distribution Date (to the extent practicable), all intercompany receivables, payables, and other balances, in each case, that arise prior to the Distribution Time between members of the SWBI Group, on the one hand, and members of the AOUT Group, on the other hand (such intercompany receivable, payables, and other balances, the "Intercompany Accounts"), by way of capitalization and/or one or more payments (whether or not on a net basis) in satisfaction of such amounts. From and after the Distribution Time, SWBI and AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members of their respective Group to, use commercially reasonable efforts to settle any Intercompany Accounts that are not settled as of the Distribution Time within 90 days of the Distribution Date and in the manner set forth in the first sentence of this Section 2.6; provided that any claim by any member of either Group with respect to an Intercompany Account must be made in writing (which writing shall be provided in accordance with Section 6.1 and be reasonably specific as to the applicable Intercompany Account and the amount thereof) to the applicable member of the other Group within 150 days of the Distribution Date.

Section 2.7 Intercompany Agreements.

(a) Except as set forth in Section 2.7(b), all Contracts between members of the SWBI Group, on the one hand, and members of the AOUT Group, on the other hand, in effect immediately prior to the Distribution Time are hereby agreed by SWBI (on behalf of itself and, to the fullest extent permitted by Applicable Law, each other member of the SWBI Group) and by AOUT (on behalf of itself and, to the fullest extent permitted by Applicable Law, each other member of the AOUT Group) to be terminated, cancelled, and of no further force and effect from and after the Distribution Time (including any provision thereof that purports to survive termination) without any further Liability to any party thereto.

(b) The provisions of Section 2.7(a) shall not apply to any of the following Contracts: (i) this Agreement and the Ancillary Agreements (and each other Contract expressly contemplated by this Agreement or any Ancillary Agreement (A) to be entered into by either SWBI or AOUT or any of the other members of their respective Groups or (B) to survive the Distribution Date); (ii) any Contract to which any Person, other than solely SWBI and AOUT and the other members of their respective Group, is a party (it being understood that any such Contracts constitute AOUT Assets, AOUT liabilities, SWBI Assets, or SWBI liabilities, as applicable, and such Contracts shall be assigned, contributed, conveyed, transferred, or delivered, accepted, or assumed in accordance with Section 2.3); (iii) any Intercompany Accounts to the extent such Intercompany Accounts were not satisfied and/or settled in accordance with the first sentence of Section 2.6 (it being understood that such Intercompany Accounts shall be satisfied or settled in accordance with the second sentence of Section 2.6); and (iv) the Contracts set forth on Schedule 2.7(b).

Section 2.8 Bank Accounts; Cash Balances.

(a) SWBI and AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members of their respective Group to, use commercially reasonable efforts such that, at or prior to the Distribution Time, the SWBI Group and the AOUT Group maintain separate bank accounts and separate cash management processes. Without limiting the generality of the foregoing, SWBI and AOUT shall use commercially reasonable efforts to, and shall cause the other members of their respective Group to use commercially reasonable efforts to, effective prior to the Distribution Time, (i) remove and replace the signatories of any bank or brokerage account owned by AOUT or any other member of the AOUT Group as of the Distribution Time with individuals designated by AOUT and (ii) if requested by SWBI, remove and replace the signatories of any bank or brokerage account owned by SWBI or any other member of the SWBI Group as of the Distribution Time with individuals designated by SWBI.

(b) With respect to any outstanding payments initiated by SWBI, AOUT, or any of their respective Subsidiaries prior to the Distribution Time, such outstanding payments shall be honored following the Distribution by the Person or Group owning the account from which the payment was initiated.

(c) As between the SWBI Group, on the one hand, and the AOUT Group, on the other hand, all payments received after the Distribution Date by a member of either Group that relate to a business, asset, or Liability of a member of the other Group, shall be held by such Person for the use and benefit and at the expense of the Person entitled thereto. Each Group shall maintain an accounting of any such payments, and SWBI and AOUT shall have a monthly reconciliation, whereby all such payments received by any member of the SWBI Group and any member of the AOUT Group are calculated and the net amount owed to any member of the SWBI Group or any member of the AOUT Group, as applicable, shall be paid over to the relevant Person with a mutual right of set-off. If at any time the net amount owed to any Person pursuant to this Section 2.8(c) exceeds $50,000, an interim payment of such net amount owed shall be made to the Person entitled thereto within three (3) Business Days of such amount exceeding $50,000. Notwithstanding the foregoing, no member of either Group shall act as collection agent for any member of the other Group, nor shall either Group act as surety or endorser with respect to non-sufficient funds checks or funds to be returned in a bankruptcy or fraudulent conveyance action.

Section 2.9 Replacement of Guarantees. SWBI and AOUT shall each use commercially reasonable efforts to, and shall cause the other members of their respective Group to, use commercially reasonable efforts to, effective as of the Distribution Time, terminate or cause a member of (a) the AOUT Group to be substituted in all respects for a member of the SWBI Group with respect to, and for the members of the SWBI Group, to be otherwise removed or released from, all obligations of any member of the AOUT Group under any guarantee, surety bond, letter of credit, letter of comfort or similar credit, or performance support arrangement (each, a "Guarantee"), given or obtained by any member of the SWBI Group for the benefit of any member of the AOUT Group or the Outdoor Products and Accessories Business (including any Guarantee of any Environmental Liability) and (b) of the SWBI Group to be substituted in all respects for a member of the AOUT Group with respect to, and for the members of the AOUT Group to be otherwise removed or released from, all obligations of any member of the SWBI Group under any Guarantee given or obtained by a member of the AOUT Group for the benefit of any member of the SWBI Group or the Firearm Business (including any Guarantee of Environmental Liability). If SWBI and AOUT have been unable to effect any such substitution, removal, release, and termination with respect to any such Guarantee as of the Distribution Time, then, following the Distribution Time, subject to any applicable terms of Schedule 2.9, (i) SWBI and AOUT shall, and shall cause the members of their respective Group to, cooperate to effect such substitution, removal, release, and termination as soon as reasonably practicable after the Distribution Time, (ii) AOUT shall, and shall cause the other members of the AOUT Group to, from and after the Distribution Time, indemnify against, hold harmless, and promptly reimburse the members of the SWBI Group for any payments made by members of the SWBI Group and for any and all Liabilities of the members of the SWBI Group arising out of, or in performing, in whole or in part, any obligation under any Guarantee described in clause (a) of the first sentence of this Section 2.9, (iii) SWBI shall, and shall cause the members of the SWBI Group to, from and after the Distribution Time, indemnify against, hold harmless, and promptly reimburse the members of the AOUT Group for any payments made by the members of the AOUT Group and for any and all Liabilities of the members of the AOUT Group arising out of, or in performing, in whole or in part, any obligation under any Guarantee described in clause (b) of the first sentence of this Section 2.9, (iv) without the prior written consent of SWBI, no member of the AOUT Group may renew, extend the term of, increase any obligations under, or transfer to a third Person, any Liability for which any member of the SWBI Group is or might be liable pursuant to any Guarantee described in clause (a) of the first sentence of this Section 2.9 unless such Guarantee, and all applicable obligations of the members of the SWBI Group with respect thereto, are thereupon terminated pursuant to documentation reasonably acceptable to SWBI, and (v) without the prior written consent of AOUT, no member of the SWBI Group may renew, extend the term of, increase any obligations under, or transfer to a third Person, any Liability for which any member of the AOUT Group is or might be liable pursuant to any Guarantee described in clause (b) of the first sentence of this Section 2.9 unless such Guarantee, and all applicable obligations of the members of the AOUT Group with respect thereto, are thereupon terminated pursuant to documentation reasonably acceptable to AOUT.

Section 2.10 Further Assurances and Consents. In addition to the actions specifically provided for elsewhere in this Agreement, each of SWBI and AOUT shall use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things, reasonably necessary, proper, or advisable under Applicable Law, agreements, or otherwise to consummate and make effective any transfers of assets, assignments and assumptions of Liabilities, and any other transactions contemplated by this Agreement, including using its commercially reasonable efforts to obtain any consents and approvals and to make any filings and applications necessary or desirable in order to consummate the transactions contemplated by this Agreement; provided that in no event shall any member of a Group have any Liability whatsoever to any member of the other Group for any failure to obtain any such consent or approval.

ARTICLE 3
DISTRIBUTION

Section 3.1 Conditions Precedent to the Distribution.

(a) In no event shall the Distribution occur unless each of the following conditions shall have been satisfied (or waived by SWBI in its sole discretion):

(i) the Transfer shall have been consummated;

(ii) the AOUT Financing Transactions shall have been consummated;

(iii) the Distribution will be made in a manner that does not cause SWBI to be unable to pay its debts as they become due in the usual course of its business or cause the total assets of SWBI to be less than the sum of its total liabilities plus the amount that would be needed, if SWBI were to be dissolved as of the Distribution Time, to satisfy the preferential rights upon dissolution of stockholders whose preferential rights are superior to those receiving the distribution, if any, in each case in accordance with Section 78.288 of the Nevada Revised Statutes;

(iv) the Board of Directors of SWBI shall have approved the Distribution and shall not have abandoned the Distribution or terminated this Agreement at any time prior to the Distribution Time;

(v) the Form 10 shall have been filed with the Commission and declared effective by the Commission, no stop order suspending the effectiveness of the Form 10 shall be in effect, no proceedings for such purpose shall be pending before or threatened by the Commission, and the Information Statement shall have been mailed to holders of the SWBI Common Stock as of the Record Date;

(vi) all actions and filings necessary or appropriate under applicable federal, state, or foreign securities or "blue sky" laws and the rules and regulations thereunder shall have been taken and, where applicable, become effective or been accepted;

(vii) the AOUT Common Stock to be delivered in the Distribution shall have been approved for listing on Nasdaq, subject to official notice of issuance;

(viii) the Board of Directors of AOUT, as named in the Information Statement, shall have been duly elected, and the Amended and Restated Certificate of Incorporation and the Amended and Restated Bylaws, each in substantially the form filed as an exhibit to the Form 10, shall be in effect;

(ix) each of the Ancillary Agreements shall have been duly executed and delivered by the parties thereto;

(x) SWBI shall have received the Tax Opinion (which shall not have been revoked or modified in any material respect) that is reasonably satisfactory to SWBI;

(xi) no Applicable Law shall have been adopted, promulgated, or issued, and be in effect, that prohibits the consummation of the Distribution or any of the other transactions contemplated hereby;

(xii) any material approvals and consents of any Governmental Authority and any material permits, registrations, and consents from Third Parties (including any Governmental Authority), in each case, necessary to effect the Distribution and to permit the operation of the Outdoor Products and Accessories Business and the Firearm Business after the Distribution Date substantially as it is conducted at the date hereof shall have been obtained; and

(xiii) no event or development shall have occurred or exist that, in the judgment of the Board of Directors of SWBI, in its sole discretion, makes it inadvisable to effect the Distribution or the other transactions contemplated hereby.

(b) Each of the conditions set forth in this Section 3.1(a) is for the sole benefit of SWBI and shall not give rise to or create any duty on the part of SWBI or its Board of Directors to waive or not to waive any such condition or to effect the Distribution, or in any way limit SWBI's rights of termination as set forth in Section 6.11 or alter the consequences of any termination from those specified in Section 6.11. Any determination made by SWBI on or prior to the Distribution Time concerning the satisfaction or waiver of any or all of the conditions set forth in this Section 3.1 shall be conclusive and binding on the parties and all other affected Persons.

Section 3.2 The Distribution.

(a) SWBI shall, in its sole discretion, determine the Distribution Date and all terms of the Distribution, including the timing of the consummation of all or part of the Distribution. SWBI may, at any time and from time to time until the Distribution Time, modify or change the terms of the Distribution, including by accelerating or delaying the timing of the consummation of all or part of the Distribution. For the avoidance of doubt, nothing in this Agreement shall in any way limit SWBI's right to terminate this Agreement or the Distribution as set forth in Section 6.11 or alter the consequences of any such termination from those specified in Section 6.11.

(b) Subject to the terms and conditions set forth in this Agreement, (i) on or prior to the Distribution Date, SWBI shall take such lawful actions as are reasonably necessary or appropriate to permit the Distribution by the Distribution Agent of validly issued, fully paid, and non-assessable shares of AOUT Common Stock, registered in book-entry form through the registration system, (ii) the Distribution shall be effective at the Distribution Time, and (iii) subject to Section 3.3, SWBI shall instruct the Distribution Agent to distribute, on or as soon as practicable after the Distribution Date, to each holder of record of SWBI Common Stock as of the Record Date, by means of a pro rata dividend, one share of AOUT Common Stock for every four shares of SWBI Common Stock so held. Following the Distribution Date, AOUT agrees to provide all book-entry transfer authorizations for shares of AOUT Common Stock that SWBI or the Distribution Agent shall require (after giving effect to Sections 3.3 and 3.4) in order to effect the Distribution.

Section 3.3 Fractional Shares. Notwithstanding any provisions of this Agreement to the contrary, no fractional shares of AOUT Common Stock shall be distributed in the Distribution. Instead, SWBI shall direct the Distribution Agent to determine (based on the aggregate number of shares held by each holder) the number of whole shares and the fractional share of AOUT Common Stock allocable to each holder of SWBI Common Stock as of the Record Date. Upon the determination by the Distribution Agent of such numbers of whole shares and fractional shares, as soon as practicable on or after the Distribution Date, the Distribution Agent, acting on behalf of the holders thereof, shall aggregate the fractional shares into whole shares of AOUT Common Stock and shall sell the whole shares obtained thereby for cash on the open market (with the Distribution Agent, in its sole discretion, determining when, how, and through which broker-dealer(s) and at which price(s) to make such sales), which such open market sales shall constitute the method for determining the per share value of fractions of a share of AOUT

Common Stock otherwise distributable in the Distribution, and shall thereafter promptly distribute to each such holder entitled thereto (pro rata based on the fractional share such holder would have been entitled to receive in the Distribution) the resulting aggregate cash proceeds, after making appropriate deductions of the amounts required to be withheld for Tax purposes, if any, and after deducting an amount equal to all brokerage fees and commissions, transfer taxes, and other costs attributed to the sale of shares pursuant to this Section 3.3. To the fullest extent permitted by Applicable Law, neither SWBI nor AOUT shall be required to guarantee any minimum sale price for the fractional shares. Recipients of cash in lieu of fractional shares shall not be entitled to any interest on the amounts of payments made in lieu of fractional shares.

Section 3.4 NO REPRESENTATIONS OR WARRANTIES. EXCEPT AS EXPRESSLY REPRESENTED AND WARRANTED HEREIN OR IN ANY OTHER DISTRIBUTION DOCUMENT, NO MEMBER OF EITHER GROUP MAKES ANY REPRESENTATION OR WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, TO ANY MEMBER OF THE OTHER GROUP OR ANY OTHER PERSON WITH RESPECT TO ANY OF THE TRANSACTIONS OR MATTERS CONTEMPLATED BY THIS AGREEMENT OR THE OTHER DISTRIBUTION DOCUMENTS (INCLUDING WITH RESPECT TO THE BUSINESS, ASSETS, LIABILITIES, CONDITION, OR PROSPECTS (FINANCIAL OR OTHERWISE) OF, OR ANY OTHER MATTER INVOLVING, EITHER BUSINESS, OR THE SUFFICIENCY OF ANY ASSETS TRANSFERRED OR LICENSED TO THE APPLICABLE GROUP, OR THE TITLE TO ANY SUCH ASSETS, OR THAT ANY REQUIREMENTS OF APPLICABLE LAW ARE COMPLIED WITH IN RESPECT OF THE TRANSFER OR THE DISTRIBUTION), AND ALL OTHER REPRESENTATIONS AND WARRANTIES OF ANY KIND WHATSOEVER, EXPRESSED OR IMPLIED, ARE HEREBY EXPRESSLY DISCLAIMED BY SWBI, FOR ITSELF AND, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE OTHER MEMBERS OF ITS GROUP, AND AOUT, FOR ITSELF AND, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE OTHER MEMBERS OF ITS GROUP. EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN ANY OTHER DISTRIBUTION DOCUMENT, EACH MEMBER OF EACH GROUP SHALL TAKE ALL OF THE BUSINESS AND ASSETS TRANSFERRED OR LICENSED TO OR LIABILITIES ASSUMED BY IT PURSUANT TO THIS AGREEMENT OR ANY OTHER DISTRIBUTION DOCUMENT ON AN "AS IS, WHERE IS" BASIS, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A SPECIFIC PURPOSE, OR OTHERWISE ARE HEREBY EXPRESSLY DISCLAIMED BY SWBI, FOR ITSELF AND, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE OTHER MEMBERS OF ITS GROUP, AND AOUT, FOR ITSELF AND, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE OTHER MEMBERS OF ITS GROUP.

ARTICLE 4
COVENANTS

Section 4.1 Books and Records; Access to Information.

(a) To the extent not previously assigned, contributed, conveyed, transferred, delivered, and accepted in accordance with Section 2.2(a) or Section 2.3, from and after the Distribution Time, (i) SWBI shall, and shall cause the other members of the SWBI Group to, assign, contribute, convey transfer, and deliver to AOUT or any AOUT Designee any books and records that are AOUT Assets (or copies of relevant portions thereof if such books and records also contain information not related to the Outdoor Products and Accessories Business) found to be in the possession of SWBI or any other member of the SWBI Group in accordance with the applicable terms of the Transition Services Agreement and the applicable schedules thereto; provided that, without limiting any express delivery requirements under this Section 4.1(a) and the terms of the Transition Services Agreement, neither SWBI nor any other member of the SWBI Group shall be required to conduct any general search or investigation of its files for such books

and records other than with respect to Commercial Data, and (ii) AOUT shall, and shall cause the other members of the AOUT Group to, assign, contribute, convey, transfer, and deliver to SWBI or any SWBI Designee any books and records that are SWBI Assets (or copies of relevant portions thereof if such books and records also contain information not related to the Firearm Business) found to be in the possession of AOUT or any other member of the AOUT Group in accordance with the applicable terms of the Transition Services Agreement and the applicable schedules thereto; provided that, without limiting any express delivery requirements under this Section 4.1(a) and the terms of the Transition Services Agreement, neither AOUT nor any other member of the AOUT Group shall be required to conduct any general search or investigation of its files for such books and records other than with respect to Commercial Data.

(b) Without limiting the express transfer and delivery requirements of Section 4.1(a) or any Ancillary Agreement, for a period of six years after the Distribution Date, each Group shall afford promptly the other Group and its agents and, to the extent required by Applicable Law, authorized representatives of any Governmental Authority of competent jurisdiction, reasonable access (which shall include, to the extent reasonably requested, the right to make copies) during normal business hours to its books of account, financial, and other records (including accountant's work papers, to the extent any required consents have been obtained), information (excluding any Commercial Data), employees and auditors to the extent necessary or useful for such other Group in connection with any audit, investigation, dispute, or litigation, complying with their obligations under this Agreement or any Ancillary Agreement, any regulatory proceeding, any regulatory filings, complying with reporting disclosure requirements or any other requirements imposed by any Governmental Authority or any other reasonable business purpose of the Group requesting such access; provided that (i) any such access shall not unreasonably interfere with the conduct of the business of the Group providing such access, and (ii) if any Group reasonably determines that affording any such access to the other Group would be commercially detrimental in any material respect or violate any Applicable Law or agreement to which any member of such Group is a party, or waive or adversely affect its ability to successfully assert any claim of attorney-client, business strategy, work product, common interest, or similar protection or privilege (collectively, "Privileges" and each, a "Privilege"), applicable to any member of such Group, the parties shall use commercially reasonable efforts to permit the compliance with such request in a manner that avoids any such harm or consequence.

(c) Without limiting the express assignment, contribution, conveyance, transfer, and delivery requirements of Section 4.1(a) or any Ancillary Agreement, until the end of the first full AOUT fiscal year occurring after the Distribution Date (and for a reasonable period of time afterwards as required for each party to prepare consolidated financial statements or complete a financial statement audit for the fiscal year during which the Distribution Date occurs), each party shall use, and shall, to the fullest extent permitted by Applicable Law, cause the other members of its Group to use, its commercially reasonable efforts to cooperate with the other Group's information requests (other than with respect to any Commercial Data) to enable: (i) the other Group to meet its timetable for dissemination of its earnings releases, financial statements, and management's assessment of the effectiveness of its disclosure controls and procedures and its internal control over financial reporting in accordance with Items 307 and 308, respectively, of Regulation S-K promulgated under the Exchange Act; and (ii) the other Group's auditors timely to complete their review of the quarterly financial statements and audit of the annual financial statements, including, to the extent applicable to such Group, its auditor's audit of its internal control over financial reporting and management's assessment thereof in accordance with Section 404 of the Sarbanes-Oxley Act of 2002, the SEC's and Public Company Accounting Oversight Board's rules and auditing standards thereunder, and any other Applicable Laws.

Section 4.2 Litigation Cooperation.

(a) To the extent not previously assigned, contributed, conveyed, transferred, delivered, and assumed in accordance with Section 2.2(a) or Section 2.3, from and after the Distribution

Time, the relevant AOUT Designee shall assume and thereafter be responsible for all Liabilities of either Group that may result from the AOUT Assumed Actions and, subject to Section 5.4(c), all Liabilities and fees and costs relating to the defense of the AOUT Assumed Actions, including attorneys', accountants', consultants', and other 'professionals' fees and expenses that have been incurred prior to the Distribution Time and are unpaid as of or after the Distribution Time, or, that are incurred on or after the Distribution Time. "AOUT Assumed Actions" means (i) those Actions primarily relating to the Outdoor Products and Accessories Business, including those in which any member of the SWBI Group is a defendant or any of its property or assets is bound and, including, for the avoidance of doubt, those Actions set forth on Schedule 4.2(a), and (ii) all Actions that AOUT has elected to control the defense of as the Indemnifying Party pursuant to Section 5.4(b). If any member of the SWBI Group has any rights or claims against a Third Party insurer or other Third Party in connection with or relating to any AOUT Assumed Action, SWBI shall and shall, to the fullest extent permitted by Applicable Law, cause the other members of the SWBI Group to, subject to Section 2.5, transfer and assign to the relevant AOUT Designee all such rights or claims and cooperate with the relevant AOUT Designee in connection with the enforcement and collection thereof. For the avoidance of doubt, effective as of the Distribution Time, the relevant AOUT Designee shall be entitled to all recovery, rights, claims, credits, causes of action, payments, awards, and rights of set-off, in each case, with respect to the AOUT Assumed Actions. SWBI hereby agrees to transfer or pay, and to cause, to the fullest extent permitted by Applicable Law, the relevant member of the SWBI Group to transfer or pay, to the relevant AOUT Designee any such recovery, rights, claims, credits, causes of action, payments, awards, and rights of set-off as promptly as possible.

(b) To the extent not previously assigned, contributed, conveyed, transferred, delivered, and assumed in accordance with Section 2.2(a) or Section 2.3, from and after the Distribution Time, the relevant SWBI Designee shall assume and thereafter be responsible for all Liabilities of either Group that may result from the SWBI Assumed Actions and, subject to Section 5.4(c), all Liabilities and fees and costs relating to the defense of the SWBI Assumed Actions, including attorneys', accountants', consultants', and other professionals' fees and expenses that have been incurred prior to the Distribution Time and are unpaid as of or after the Distribution Time, or, that are incurred on or after the Distribution Time. "SWBI Assumed Actions" means (i) those Actions primarily relating to the Firearm Business, including those in which any member of the AOUT Group is a defendant, any of its property or assets is bound, and, including, for the avoidance of doubt, those Actions set forth on Schedule 4.2(b), and (ii) all Actions that SWBI has elected to control the defense of as the Indemnifying Party pursuant to Section 5.4(b). If any member of the AOUT Group has any rights or claims against a Third Party insurer or other Third Party in connection with or relating to any SWBI Assumed Action, AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members its Group to, subject to Section 2.5, transfer and assign to the relevant SWBI Designee all such rights or claims and cooperate with the relevant SWBI Designee in connection with the enforcement and collection thereof. For the avoidance of doubt, effective as of the Distribution Time, the relevant SWBI Designee shall be entitled to all recovery, rights, claims, credits, causes of action, payments, awards, and rights of set-off, in each case, with respect to the SWBI Assumed Actions. AOUT hereby agrees to transfer or pay, and to cause, to the fullest extent permitted by Applicable Law, the applicable member of the AOUT Group to transfer or pay, to the relevant SWBI Designee any such recovery, rights, claims, credits, causes of action, payments, awards, and rights of set-off as promptly as possible.

(c) Each party agrees that, at all times from and after the Distribution Time, if an Action relating primarily to its Group's Business is commenced by a Third Party naming a member of either Group as defendants thereto, such Action shall be deemed to be an AOUT Assumed Action (in the case of an Action primarily related to the Outdoor Products and Accessories Business) or an SWBI Assumed Action (in the case of an Action primarily related to the Firearm Business) and the party as to which the Action primarily relates to its Group's Business shall use its commercially reasonable efforts to cause the other party or member of its Group to be removed from such Action.

(d) The parties agree, that at all times from and after the Distribution Time, if any Action is commenced by a Third Party naming a member of either Group as a defendant thereto and the parties are not able to reasonably determine whether such Action primarily relates to the Outdoor Products and Accessories Business or the Firearm Business, then the parties shall cooperate in good faith to determine which party and the members of its Group shall control and be responsible for such Action in accordance with the terms of this Section 4.2, and the parties will consult to the extent necessary or advisable with respect to such Action.

(e) SWBI and AOUT shall, to the fullest extent permitted by Applicable Law, cause the other members of its respective Group to, use commercially reasonable efforts to, upon written request, (i) make available to the other Group and its attorneys, accountants, consultants, and other designated representatives and its directors, officers, employees, and representatives as witnesses, and (ii) otherwise cooperate with the other Group, in each case, to the extent reasonably requested in connection with any Action arising out of either Group's Business prior to the Distribution Time in which the requesting Group may from time to time be involved. To the fullest extent permitted by Applicable Law, the making available of Persons or information or cooperating pursuant to this Section 4.2(e) shall not be deemed to be a waiver of any Privilege.

(f) Notwithstanding the foregoing, this Section 4.2 shall not require the party to whom any request pursuant to Section 4.2(e) has been made or any of the other members of its Group to make available Persons or information if such party determines that doing so would, in the reasonable good faith judgment of such party, reasonably be expected to result in any violation of any Applicable Law or agreement or waive or adversely affect its ability to successfully assert any Privilege; provided that the parties shall use commercially reasonable efforts to cooperate in seeking to find a way to permit compliance with such obligations to the extent and in a manner that avoids such consequence.

Section 4.3 Reimbursement. Each Group providing information or witnesses to the other Group or otherwise incurring any out-of-pocket expense in connection with transferring books and records or otherwise cooperating under Section 4.1 or Section 4.2 shall be entitled to receive from the recipient thereof, upon the presentation of invoices therefor, payment for all reasonable and documented out-of-pocket costs and expenses (including attorney's fees but excluding reimbursement for general overhead, salary, and employee benefits) actually and reasonably incurred in providing such access, information, witnesses, or cooperation.

Section 4.4 Ownership of Information. All information owned by one party (or another member of its Group) that is furnished to or accessed by the other party (or another member of its Group) under Section 4.1 or Section 4.2 shall, to the fullest extent permitted by Applicable Law, be deemed to remain the property of the providing party. Unless specifically set forth herein or in any Ancillary Agreement, nothing contained in this Agreement shall be construed to grant or confer rights of license or otherwise in any such information.

Section 4.5 Retention of Records. Except as otherwise required by Applicable Law or agreed to by the parties in writing, for a period of seven years following the Distribution Date, each party shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members of its Group to, retain any and all information in its possession or control relating to the other Group's Business in accordance with the document retention practices of SWBI as in effect as of the date hereof. Each party shall not, and shall, to the fullest extent permitted by Applicable Law, cause the other members of its Group not to, destroy, or permit the destruction, or otherwise dispose, or permit the disposal, of any such information, subject to such retention practice, unless, prior to such destruction or disposal, the party proposing (or whose Group member is proposing) such destruction or disposal (the "Disposing Party") provides not less than 30 days' prior written notice to the other party (the "Receiving Party"), specifying the information proposed

to be destroyed or disposed of and the scheduled date for such destruction or disposal. If the Receiving Party shall request in writing prior to the scheduled date for such destruction or disposal that any of the information proposed to be destroyed or disposed of be delivered to the Receiving Party, the Disposing Party shall promptly arrange for the delivery of such of the information as was requested at the expense of the Receiving Party; provided that, if the Disposing Party reasonably determines that any such provision of information would violate any Applicable Law or agreement to which such party or other member of its Group is a party, or waive or adversely affect the ability to successfully assert any Privilege applicable to such party or any member of its Group, the parties shall use commercially reasonable efforts to permit the prompt compliance with such request in a manner that avoids any such harm or consequence. Any records or documents that were subject to a litigation hold prior to the Distribution Date must be retained by the applicable party (or other member of its Group) until such party or member of its Group is notified by the other party that the litigation hold is no longer in effect.

Section 4.6 Confidentiality. Each party acknowledges that it or another member of its Group may have in its possession, and, in connection with this Agreement and the Ancillary Agreements, may receive, Confidential Information of the other party or any other member of its Group (including information in the possession of such other party or any other member of its Group relating to its clients or customers). Each party shall hold and shall cause its directors, officers, employees, agents, consultants, and advisors (“Representatives”) and the other members of its Group and their Representatives to hold in strict confidence and not to use, except as permitted by this Agreement or any Ancillary Agreement, all such Confidential Information concerning the other Group unless (a) such party or any of the other members of its Group or its or their Representatives is compelled to disclose such Confidential Information by judicial or administrative process or by other requirements of Applicable Law, or (b) such Confidential Information can be shown to have been (i) in the public domain through no fault of such party or any of the other members of its Group or its or their Representatives, (ii) lawfully acquired after the Distribution Date on a non-confidential basis from other sources not known by such party or other members of its Group to be under any legal obligation to keep such information confidential, or (iii) developed by such party or any of the other members of its Group or its or their Representatives without the use of any Confidential Information of the other Group. Notwithstanding the foregoing, such party or other member of its Group or its or their Representatives may disclose such Confidential Information to the other members of its Group and its or their Representatives so long as such Persons are informed by such Person of the confidential nature of such Confidential Information and are directed by such Person to treat such information confidentially. The obligation of each party and the other members of its Group and its and their Representatives to hold any such Confidential Information in confidence shall be satisfied if they exercise the same level of care with respect to such Confidential Information as they would with respect to their own proprietary information. If such party or other member of its Group or any of its or their Representatives becomes legally compelled to disclose any documents or information subject to this Section 4.6, such party or other member of its Group shall promptly notify the other party and, upon request, use commercially reasonable efforts to cooperate with the other party’s or Group’s efforts to seek a protective order or other remedy. If no such protective order or other remedy is obtained or if the other party waives in writing such party’s compliance with this Section 4.6, such party or the other member of its Group or its or their Representatives may furnish only that portion of the information which it concludes, after consultation with counsel, is legally required to be disclosed and will exercise its commercially reasonable efforts to obtain reliable assurance that confidential treatment will be accorded such information. Each party agrees to be responsible for any breach of this Section 4.6 by it, the other members of its Group, and its and their Representatives.

Section 4.7 Privileged Information.

(a) Notwithstanding the further provisions of this Section 4.7, each of the parties agrees, for itself and, to the fullest extent permitted by Applicable Law, for the other members of its Group,

that legal services rendered prior to the Distribution Time with respect to the transactions contemplated by this Agreement and the other Distribution Documents were rendered to both the SWBI Group and the AOUT Group and both the SWBI Group and the AOUT Group shall be considered the client with respect to such legal services for the purposes of any Privilege relating to such legal services.

(b) Each of the parties agrees, for itself and, to the fullest extent permitted by Applicable Law, for the other members of its Group, (i) that all documents or other information subject to any Privilege ("Privileged Information") of any member of either Group shall survive the assignment, contribution, conveyance, transfer, delivery, and acceptance of the AOUT Assets and the SWBI Assets, respectively, and the assignment, contribution, conveyance, transfer, delivery, and assumption of the AOUT Liabilities and the SWBI Liabilities, respectively, pursuant to Article 2, and (ii) to use commercially reasonable efforts to protect and maintain any Privileged Information in a manner that prevents any Privilege from being waived or in a manner that would adversely affect the protection of such Privilege.

(c) Each of the parties agrees, for itself and, to the fullest extent permitted by Applicable Law, for the other members of its Group, that (i) any Privileged Information relating to the SWBI Assets, the SWBI Assumed Liabilities, the SWBI Assumed Actions, or the Firearm Business shall belong to SWBI or the relevant SWBI Designee and any right to control, assert, and/or waive any Privilege relating thereto shall be controlled by SWBI or the relevant SWBI Designee, (ii) any Privileged Information relating to the AOUT Assets, the AOUT Assumed Liabilities, the AOUT Assumed Actions, or the Outdoor Products and Accessories Business shall belong to AOUT or the relevant AOUT Designee and any right to control, assert, and/or waive any Privilege relating thereto shall be controlled AOUT or the relevant AOUT Designee, (iii) it would be impracticable to remove or segregate any Privileged Information relating to the SWBI Assets, the SWBI Assumed Liabilities, the SWBI Assumed Actions, or the Firearm Business, and therefore the failure of any member of the AOUT Group to remove or segregate any Privileged Information relating to the SWBI Assets, the SWBI Assumed Liabilities, or the Firearm Business shall, to the fullest extent permitted by Applicable Law, not constitute a waiver of any such Privilege, and (iv) it would be impracticable to remove or segregate any Privileged Information relating to the AOUT Assets, the AOUT Assumed Liabilities, the AOUT Assumed Actions, or the Outdoor Products and Accessories Business, and therefore the failure of any member the SWBI Group to remove or segregate any Privileged Information relating to the AOUT Assets, the AOUT Assumed Liabilities, the AOUT Assumed Actions, or the Outdoor Products and Accessories Business shall, to the fullest extent permitted by Applicable Law, not constitute a waiver of any such Privilege.

(d) Upon the receipt by any member of the AOUT Group of any subpoena, discovery request or other request, that may reasonably be expected to require the production or disclosure of Privileged Information relating to the SWBI Assets, the SWBI Assumed Liabilities, the SWBI Assumed Actions, or the Firearm Business, AOUT shall promptly notify SWBI of the subpoena, discovery request, or other request and shall provide SWBI a reasonable opportunity to review such subpoena, discovery request, or other request and to assert any Privilege or right any member of the SWBI Group may have to prevent the disclosure of such Privileged Information or to preserve any Privilege with respect to such Privileged Information. Upon the receipt by any member of the SWBI Group of any subpoena, discovery request, or other request that may reasonably be expected to require the production or disclosure of Privileged Information relating to the AOUT Assets, the AOUT Assumed Liabilities, the AOUT Assumed Actions, or the Outdoor Products and Accessories Business, SWBI shall promptly notify AOUT of the subpoena, discovery request, or other request and shall provide AOUT with a reasonable opportunity to review such subpoena, discovery request, or other request and to assert any Privilege or right any member of the AOUT Group may have to prevent the disclosure of such Privileged Information or to preserve any Privilege with respect to such Privileged Information.

Section 4.8 Limitation of Liability. Except as otherwise provided in this Agreement, no party (or any other member of its Group) shall have any liability to any other party (or any other member of its Group) in the event that any information, books, or records exchanged or provided pursuant to this Agreement is found to be inaccurate or the requested information, books, or records is not provided, in the absence of willful misconduct by the party (or any other member of its Group) requested to provide such information, books, or records. No party (or any other member of its Group) shall have any liability to any other party (or any other member of its Group) if any information, books, or records is destroyed after commercially reasonable efforts by such party (or any other member of its Group) to comply with the provisions of Section 4.5.

Section 4.9 Other Agreements Providing for Exchange of Information. The rights and obligations granted under this Article 4 are subject to any specific limitations, qualifications, or additional provisions on the sharing, exchange, retention, rights to use, or confidential treatment of Confidential Information set forth in any Ancillary Agreement. Notwithstanding anything in this Agreement to the contrary, (a) the Tax Matters Agreement shall govern the retention of Tax related records and the exchange of Tax related information and (b) the Employee Matters Agreement shall govern the retention of employment and benefits related records.

Section 4.10 Conduct of Incidents Subject to SWBI Insurance.

(a) AOUT, for itself and the other members of its Group, acknowledges and agrees that coverage for the Outdoor Products and Accessories Business under the insurance policies of SWBI and the members of the SWBI Group (other than insurance policies, insurance contracts, and claim administration contracts established in contemplation of the Distribution to cover only the AOUT Group after the Distribution Time (the "Post-Distribution Insurance Arrangements")) will cease as of the Distribution Time, and that, except as set forth in this Section 4.10, neither SWBI nor any member of its Group will purchase or be required to purchase any "tail" policy or other additional or substitute coverage for the benefit of AOUT or the other members of the AOUT Group relating to the Outdoor Products and Accessories Business applicable in any period after the Distribution Time.

(b) Notwithstanding the foregoing, SWBI, for itself and the other members of its Group, agrees that SWBI or any other member of its Group shall, with respect to (i) any act, omission, circumstance, occurrence, or incident arising prior to the Distribution Time that relates to the Outdoor Products and Accessories Business that is potentially covered by an occurrence-based insurance policy of SWBI or any other member of its Group (each, a "SWBI Occurrence-Based Policy") in effect prior to the Distribution Time, (ii) any act, omission, circumstance, occurrence, or incident arising or occurring prior to the Distribution Time that relates to the Outdoor Products and Accessories Business that is potentially covered by an insurance policy of SWBI or any other member of its Group written on a "claims made" basis ("SWBI Claims-Made Policies") in effect prior to the Distribution Time, or (iii) any act, omission, circumstance, occurrence, or incident arising or occurring prior to the Distribution Time that relates to the Outdoor Products and Accessories Business that is potentially covered by an insurance policy of SWBI or any other member of its Group written on a "loss discovered" basis ("SWBI Loss Discovered-Policies" and together with the SWBI Occurrence-Based Policies and the SWBI Claims-Made Policies, the "SWBI Shared Policies") (i) not relinquish any of its or their rights, or take any actions (other than the making of claims under the SWBI Shared Policies) that could reasonably be expected to reduce or otherwise limit the available coverage for any claim with respect to any act, omission, circumstance, occurrences, or incident arising prior to the Distribution Time that relates to the Outdoor Products and Accessories Business under any of the SWBI Shared Policies, (ii) upon request of AOUT or any other member of its Group, report such claim with respect to any act, omission, circumstance, occurrences, or incident to the appropriate insurer as promptly as practicable and in accordance with the terms and conditions of the applicable SWBI Shared Policy and use commercially reasonable efforts to administer such claims, (iii) include AOUT and the

relevant member of its Group on material correspondence and any possible Action relating to such claim with respect to any act, omission, circumstance, occurrence, or incident, and (iv) instruct that such proceeds are paid directly to the injured party in settlement of any claim with respect to any act, omission, circumstance, occurrence, or incident, rather than to SWBI or the other members of its Group, or, if such proceeds are received by SWBI or any other member of its Group, pay such proceeds over to AOUT or the other relevant member of its Group; provided that AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the other members of its Group to, notify SWBI promptly of any potential claim with respect to any act, omission, circumstance, occurrence, or incident, and cooperate in the investigation and pursuit of any claim, and the AOUT Group shall have the right to effectively associate in the pursuit of any claim with respect to any act, omission, circumstance, occurrence, or incident, including the ability to withhold consent to any proposed claim settlement (such consent not to be unreasonably conditioned, withheld, or delayed) and shall bear all reasonable out-of-pocket expenses incurred by SWBI or the other members of its Group in connection with the foregoing; provided further that SWBI and the other members of its Group shall be obligated to use only commercially reasonable efforts to pursue any claim with respect to any act, omission, circumstance, occurrence, or incident that are potentially covered by available SWBI Shared Policies and shall not, for the avoidance of doubt, have any obligation to commence any litigation with respect to any matter potentially covered by any SWBI Shared Policy unless the costs of such litigation are borne by the AOUT Group. The AOUT Group shall bear responsibility for any deductible payments required to be made under the SWBI Shared Policies in respect of any such claims with respect to any such act, omission, circumstance, occurrence, or incident.

(c) Notwithstanding the foregoing Section 4.10(a), with respect to the SWBI Loss Discovered Policies providing cyber and privacy coverage to SWBI and the other members of its Group, on the one hand, and the Post-Distribution Insurance Arrangements providing cyber and privacy coverage to AOUT and the other members of its Group, on the other hand (collectively, the "Cyber Policies"), in the event of any Cyber Event arising or occurring at or following the Distribution Time that affects, impacts, or relates to both SWBI (or any other member of its Group) and AOUT (or any other member of its Group) and that is potentially covered by such Cyber Policies (a "Cyber Insurance Event"), including any Cyber Event occurring in connection with services to be provided pursuant to the Transition Services Agreement, then SWBI and the other members of its Group, on the one hand, and AOUT and the other members of its Group, on the other hand, shall cooperate in good faith with respect to the making of any claims with respect to such Cyber Insurance Event with the respective Cyber Policies of the AOUT Group, on the one hand, and the SWBI Group, on the other hand; provided that neither SWBI and the other members of its Group, on the one hand, nor AOUT and the other members of its Group, on the other hand, shall be covered by, or have any right to make any claim against or otherwise seek coverage under, any of the Cyber Policies of the other Group with respect to any such Cyber Insurance Event.

(d) If, after the Distribution Time, AOUT or any of the other members of its Group reasonably requires any information regarding claims data for renewal purposes or other information pertaining to a claim or to any occurrence or alleged wrongful act, omission, circumstance, occurrence, or incident which occurred prior to the Distribution Time (regardless of when such occurrences or alleged wrongful acts, omissions, circumstances, occurrences, or incidents may be reported) that could reasonably be expected to give rise to a claim (including any pre-Distribution claims under any SWBI Shared Policy) in order to give notice to or make filings with insurance carriers or claims adjustors or administrators or to adjust, administer, or otherwise manage a claim, then, subject to the provisos in Section 4.10, SWBI shall cause such information to be supplied to AOUT or the relevant member of its Group, to the extent such information is in the possession and control of the SWBI Group or can be reasonably obtained by the SWBI Group, reasonably promptly upon a written request therefore. In furtherance of the foregoing, if any Third Party requires the consent of any member of the SWBI Group to the disclosure of claims data or information maintained by an insurance company or other Third Party in respect of any claim (including any pre-Distribution claims under any SWBI Shared Policy), such consent shall not be unreasonably withheld, conditioned, or delayed.

Section 4.11 Trademark Phase Out.

(a) Except as expressly provided in the Trademark License Agreement or any Post-Distribution Commercial Agreement, as soon as reasonably practicable, but in any event within one hundred eighty (180) days, following the Distribution Time, AOUT shall, and shall, to the fullest extent permitted by Applicable Law, cause the members of the AOUT Group to, cease any and all use of the SWBI Names and Marks and remove, conceal, cover, redact, and/or replace the SWBI Names and Marks from any and all AOUT Assets and any other assets and materials under their possession or control bearing such SWBI Names and Marks.

(b) Except as expressly provided in any Post-Distribution Commercial Agreement, as soon as reasonably practicable, but in any event within one hundred eighty (180) days, following the Distribution Time, SWBI shall, and shall, to the fullest extent permitted by Applicable Law, cause the members of the SWBI Group to, cease any and all use of the AOUT Names and Marks and remove, conceal, cover, redact, and/or replace the AOUT Names and Marks from any and all SWBI Assets and any other assets and materials under their possession or control bearing such AOUT Names and Marks.

ARTICLE 5
RELEASE; INDEMNIFICATION

Section 5.1 Release of Pre-Distribution Claims.

(a) Except (i) as provided in Section 5.1(b) and (ii) as otherwise expressly provided in this Agreement or any Ancillary Agreement, each party does hereby, on behalf of itself and, to the fullest extent permitted by Applicable Law, each other member of its Group, and each of their successors and permitted assigns, release and forever discharge the other party and the other members of such party's Group, and their respective successors and permitted assigns, and all Persons who at any time prior to the Distribution Time have been directors, officers, employees, or attorneys serving as independent contractors of such other party or any other member of its Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors, and permitted assigns (collectively, the "Released Parties" and each, a "Released Party"), from any and all demands, Claims, Actions, and Liabilities whatsoever, whether at law or in equity (including any right of contribution or any right pursuant to any Environmental Law whether now or hereinafter in effect), whether arising under any Contract, by operation of law or otherwise (and including for the avoidance of doubt, those arising as a result of the negligence, strict liability, or any other liability under any theory of law or equity of, or any violation of Applicable Law by any Released Party), existing or arising from any acts, omissions, circumstances, occurrences, or incidents occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Distribution Time.

(b) Nothing contained in Section 5.1(a) shall impair any right of any Person identified in Section 5.1(a) to enforce this Agreement or any Ancillary Agreement. Nothing contained in Section 5.1(a) shall release or discharge any Person from:

(i) any Liability assumed, transferred, assigned, retained, or allocated to that Person in accordance with, or any other Liability of that Person under, this Agreement or any of the Ancillary Agreements;

(ii) any Liability that is expressly specified in this Agreement (including Section 2.6 and Section 2.7) or any Ancillary Agreement to continue after the Distribution Time, but subject to any limitation set forth in this Agreement (including Section 2.6 and Section 2.7) or any Ancillary Agreement relating specifically to such Liability;

(iii) any demand, Claim, Action, or Liability that the parties may have with respect to claims for indemnification, recovery, or contribution brought pursuant to this Agreement or any Ancillary Agreement, which demand, Claim, Action, or Liability shall be governed by the provisions of this Article 5, or, if applicable, the appropriate provisions of the Ancillary Agreements; or

(iv) any demand, Claim, Action, or Liability the release of which would result in the release of any Person, other than a Released Party; provided, however, that the parties hereto agree not to bring or allow, to the fullest extent permitted by Applicable Law, any other member of its Group to bring any suit, action, or proceeding against the other party, any other member of its Group, or any related Released Party with respect to any such Liability.

In addition, nothing contained in Section 5.1(a) shall release any party or any member of its Group from honoring its existing obligations to indemnify, or advance expenses to, any Person (x) who was a director, officer, employee, or agent of such party or any other member of its Group at or prior to the Distribution Time, or (y) was serving at the request of such party or any other member of its Group as a director, officer, employee, or agent of another Person (other than an individual) at or prior to the Distribution Time, in each case, to the extent such Person was entitled to such indemnification or advancement of expenses pursuant to then-existing obligations; provided, however, that to the extent applicable, Section 5.2 hereof shall determine whether any party shall be required to indemnify the other or another member of its Group in respect of such Liability.

(c) No party hereto shall make, nor, to the fullest extent permitted by Applicable Law, permit any other member of its Group to make, any demand or Claim, or commence any Action asserting any demand or Claim, including any Claim of or demand for contribution or indemnification, against the other party, or any related Released Party, with respect to any demand, Claim, Action, or Liability released pursuant to Section 5.1(a).

(d) It is the intent of each of the parties and the other members of their respective Group, by virtue of the provisions of this Section 5.1, to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts, omissions, circumstances, occurrences, or incidents occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Distribution Time between members of the SWBI Group, on the one hand, and members of the AOUT Group, on the other hand (including any Contract existing or alleged to exist between the Groups on or before the Distribution Time), except as expressly set forth in Section 5.1(b) or as expressly provided in this Agreement or any Ancillary Agreement. At any time, at the reasonable request of either SWBI or AOUT, the other party hereto shall and shall, to the fullest extent permitted by Applicable Law, cause the other members of its Group to, execute and deliver releases reflecting the provisions hereof.

Section 5.2 AOUT Indemnification of the SWBI Group.

(a) Effective as of and after the Distribution Time, AOUT shall indemnify, defend, and hold harmless each member of the SWBI Group, each Affiliate thereof, and each of their respective past, present, and future directors, officers, employees, and agents and the respective heirs, executors, administrators, successors, and permitted assigns of any of the foregoing (collectively, the “SWBI Indemnitees” and each, a “SWBI Indemnitee”) from and against any and all Liabilities incurred or suffered

by any of the SWBI Indemnitees arising out of or in connection with (i) any of the AOUT Liabilities, or the failure of any member of the AOUT Group to pay, perform, or otherwise discharge any of the AOUT Liabilities, (ii) any breach by AOUT or any other member of the AOUT Group of this Agreement or any Ancillary Agreement, (iii) the ownership or operation of the Outdoor Products and Accessories Business or the AOUT Assets, prior to, on, or after the Distribution Date, (iv) any payments made by SWBI or any other member of the SWBI Group in respect of any Guarantee given or obtained by any member of the SWBI Group for the benefit of any member of the AOUT Group or the Outdoor Products and Accessories Business, or any Liability of any member of the SWBI Group in respect thereof, and (v) any use of any Licensed SWBI IP (as defined in the Trademark License Agreement) or the SWBI Names and Marks by AOUT, by any member of the AOUT Group or any permitted sublicensee under the Trademark License Agreement.

(b) Effective as of and after the Distribution Time, AOUT shall indemnify, defend, and hold harmless each of the SWBI Indemnitees and each Person, if any, who controls any SWBI Indemnitee within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all Liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in the Form 10, the Information Statement, the Equity Compensation Registration Statement, or any offering or marketing materials prepared in connection with the AOUT Financing Arrangements or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case, to the extent, but only to the extent that, such Liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based on information furnished by the AOUT Group regarding the business, operations, financial results, stockholder communications, risks, management, management compensation levels, and stock ownership of AOUT.

Section 5.3 SWBI Indemnification of the AOUT Group.

(a) Effective as of and after the Distribution Time, SWBI shall indemnify, defend, and hold harmless each member of the AOUT Group, each Affiliate thereof, and each of their respective past, present, and future directors, officers, employees, and agents and the respective heirs, executors, administrators, successors, and permitted assigns of any of the foregoing (collectively, the "AOUT Indemnitees" and each, an "AOUT Indemnitee") from and against any and all Liabilities incurred or suffered by any of the AOUT Indemnitees and arising out of or in connection with (i) any of the SWBI Liabilities, or the failure of any other member of the SWBI Group to pay, perform, or otherwise discharge any of the SWBI Liabilities, (ii) any breach by SWBI or any other member of the SWBI Group of this Agreement or any Ancillary Agreement, (iii) the ownership or operation of the Firearm Business or the SWBI Assets, prior to, on, or after the Distribution Date, and (iv) any payments made by AOUT or any other member of the AOUT Group in respect of any Guarantee given or obtained by any member of the AOUT Group for the benefit of any member of the SWBI Group or the Firearm Business, or any Liability of any member of the AOUT Group in respect thereof.

(b) Effective as of and after the Distribution Time, SWBI shall indemnify, defend, and hold harmless each of the AOUT Indemnitees and each Person, if any, who controls any AOUT Indemnitee within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all Liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in the Form 10, the Information Statement, the Equity Compensation Registration Statement, or any offering or marketing materials prepared in connection with the AOUT Financing Arrangements or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such Liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based on information furnished by any member of the SWBI Group regarding the business, operations, financial results, stockholder communications, risks, management, management compensation levels, and stock ownership of SWBI.

Section 5.4 Procedures.

(a) The SWBI Indemnitee or AOUT Indemnitee seeking indemnification under Section 5.2 or Section 5.3, respectively (the "Indemnified Party"), agrees to give prompt notice to the party against whom indemnity is sought (the "Indemnifying Party") of the assertion of any demand or claim, or the commencement of any other Action (each, a "Claim") in respect of which indemnity may be sought under Section 5.2 or Section 5.3, as applicable, and shall provide the Indemnifying Party such information with respect thereto that the Indemnifying Party may reasonably request. The failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations under Section 5.2 or Section 5.3, as applicable, except to the extent such failure shall have prejudiced the Indemnifying Party.

(b) The Indemnifying Party shall be entitled to participate in the defense of any Claim asserted by any Third Party ("Third Party Claim") and, subject to the limitations set forth in this Section 5.4, if it so notifies the Indemnified Party no later than 30 days after receipt of the notice described in Section 5.4(a), shall be entitled to control and appoint lead counsel for such defense, in each case at its expense. If the Indemnifying Party does not so notify the Indemnified Party, the Indemnified Party shall have the right to defend or contest such Third Party Claim through counsel chosen by the Indemnified Party that is reasonably acceptable to the Indemnifying Party, subject to the provisions of this Section 5.4. The Indemnified Party shall provide the Indemnifying Party and such counsel with such information regarding such Third Party Claim as either of them may reasonably request (which request may be general or specific).

(c) If the Indemnifying Party shall assume the control of the defense of any Third Party Claim in accordance with the provisions of Section 5.4(b), (i) the Indemnifying Party shall obtain the prior written consent of the Indemnified Party (which shall not be unreasonably withheld) before entering into any settlement of such Third Party Claim, if the settlement does not release the Indemnified Party from all Liabilities and obligations with respect to such Third Party Claim or the settlement imposes injunctive or other equitable relief against the Indemnified Party or any of its related Indemnitees or is otherwise materially prejudicial to any such Person and (ii) the Indemnified Party shall be entitled to participate in (but not control) the defense of such Third Party Claim and, at its own expense, to employ separate counsel of its choice for such purpose; provided that in the event of a conflict of interest between the Indemnifying Party and such Indemnified Party, the reasonable and documented fees and expenses of such separate counsel shall be at the Indemnifying Party's expense.

(d) Each of the Indemnifying Party and the Indemnified Party shall cooperate, and shall cause, to the fullest extent permitted by Applicable Law, their respective Affiliates to, cooperate, in the defense or prosecution of any Third Party Claim and shall furnish or cause to be furnished such records, information, and testimony, and attend such conferences, discovery proceedings, hearings, trials, or appeals, as may be reasonably requested in connection therewith.

(e) Each Indemnified Party shall use commercially reasonable efforts to collect any amounts available under insurance coverage, or from any other Person alleged to be responsible, for any Liabilities payable under Section 5.2 or Section 5.3 and the reasonable expenses incurred in connection therewith shall be treated as Liabilities subject to indemnification under Section 5.2 or Section 5.3.

(f) If any Third Party Claim shall be brought against a member of either Group, then the Action relating to such Third Party Claim shall be deemed to be an AOUT Assumed Action or an SWBI Assumed Action in accordance with Sections 4.2(a) or 4.2(b), respectively, to the extent applicable, and AOUT, in the case of any AOUT Assumed Action, or SWBI, in the case of any SWBI Assumed Action,

shall be deemed to be the Indemnifying Party for the purposes of this Article 5. In the event of any Action in which the Indemnifying Party is not also named defendant, at the request of either the Indemnified Party or the Indemnifying Party, the parties shall and shall, to the fullest extent permitted by Applicable Law, cause its applicable Affiliate to, use commercially reasonable efforts to substitute the Indemnifying Party or its applicable Affiliate for the named defendant in the Action.

Section 5.5 Calculation of Indemnification Amount. Any indemnification amount owed pursuant to Section 5.2 or Section 5.3 shall be paid (a) net of any amounts actually recovered by the Indemnified Party under applicable Third Party insurance policies or from any other Third Party alleged to be responsible therefor, and (b) taking into account any Tax Benefit allowable to the Indemnified Party and any Tax cost incurred by the Indemnified Party arising from the incurrence or payment of the relevant Liabilities. SWBI and AOUT agree that, for all Tax purposes, any payment made pursuant to this Article 5 will be treated as provided under Section 2.01(d) of the Tax Matters Agreement. If the Indemnified Party receives any amounts under applicable Third Party insurance policies, or from any other Third Party alleged to be responsible for any Liabilities, subsequent to an indemnification payment by the Indemnifying Party in respect thereof, then such Indemnified Party shall promptly reimburse the Indemnifying Party for any payment made by such Indemnifying Party in respect thereof up to the amount received by the Indemnified Party from such Third Party insurance policy or Third Party, as applicable.

Section 5.6 Contribution. If for any reason the indemnification provided for in Section 5.2 or Section 5.3 is unavailable to any Indemnified Party, or insufficient to hold it harmless, then the Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Party as a result of such Liabilities in such proportion as is appropriate to reflect the relative fault of the SWBI Group, on the one hand, and the AOUT Group, on the other hand, in connection with the act, omission, circumstance, occurrence, or incident that resulted in such Liabilities. In case of any Liabilities arising out of or related to information contained in the Form 10, the Information Statement, the Equity Compensation Registration Statement, or any offering or marketing materials prepared in connection with the AOUT Financing Arrangements, the relative fault of the SWBI Group, on the one hand, and the AOUT Group, on the other hand, shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or the omission or alleged omission of a material fact relates to information supplied by AOUT or any other member of its Group, on the one hand, or SWBI or any other member of its Group, on the other hand.

Section 5.7 Non-Exclusivity of Remedies. Subject to Section 5.1, the remedies provided for in this Article 5 are not exclusive and shall, to the fullest extent permitted by Applicable Law, not limit any rights or remedies which may otherwise be available to any Indemnified Party at law or in equity; provided that the procedures set forth in Sections 5.4 and 5.5 shall be the exclusive procedures governing any indemnity action brought under this Article 5.

Section 5.8 Survival of Indemnities. The rights and obligations of any Indemnified Party or Indemnifying Party under this Article 5 shall survive the sale or other transfer of any such Person of any of its assets, business, or liabilities.

Section 5.9 Ancillary Agreements. If an indemnification claim is covered by the indemnification provisions of an Ancillary Agreement, the claim shall be made under the Ancillary Agreement to the extent applicable and the provisions thereof shall govern such claim. In no event shall any Person be entitled to double recovery from the indemnification provisions of this Agreement and any Ancillary Agreement.

ARTICLE 6
MISCELLANEOUS

Section 6.1 Notices. Any notice, instruction, direction, or demand under the terms of this Agreement required to be in writing shall be duly given upon delivery, if delivered by hand, facsimile transmission, mail, or e-mail transmission to the following addresses:

If to SWBI to:

Smith & Wesson Brands, Inc.
2100 Roosevelt Avenue
Springfield, Massachusetts 01104
Email: rcicero@smith-wesson.com
Attn: General Counsel

with a copy to:

Greenberg Traurig, LLP
2375 East Camelback Road, Suite 700
Phoenix, Arizona 85016
Email: kantr@gtlaw.com
beckk@gtlaw.com
Attn: Robert S. Kant
Katherine A. Beck

If to AOUT to:

American Outdoor Brands, Inc.
1800 North Route Z
Columbia, Missouri 65202
Email: dbrown@aob.com
Attn: Chief Counsel

with a copy to:

Greenberg Traurig, LLP
2375 East Camelback Road, Suite 700
Phoenix, Arizona 85016
Email: kantr@gtlaw.com
beckk@gtlaw.com
Attn: Robert S. Kant
Katherine A. Beck

or such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other party hereto. All such notices, requests, and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request, or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

Section 6.2 Amendments; No Waivers.

(a) Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by SWBI and AOUT, or in the case of a waiver, by the party against whom the waiver is to be effective.

(b) No failure or delay by any party in exercising any right, power, or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies herein provided shall, to the fullest extent permitted by Applicable Law, be cumulative and not exclusive of any rights or remedies provided by Applicable Law.

Section 6.3 Expenses. SWBI and AOUT shall each bear the costs and expenses incurred or paid by it or the other members of its respective Group in connection with the Transfer, the Distribution, and any other related transaction, as applicable, set forth below their respective names on Schedule 6.3. All other third-party fees, costs, and expenses paid or incurred in connection with the foregoing (except as specifically allocated pursuant to the terms of this Agreement or any Ancillary Agreement) shall be paid by the party or Group incurring such fees or expenses, whether or not the Distribution occurs, or as otherwise agreed by the parties in writing.

Section 6.4 Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns; provided that neither party may assign, delegate, or otherwise transfer any of its rights or obligations (or those of any other member of its Group) under this Agreement without the consent of the other party hereto. If any party or any of its successors or permitted assigns (a) shall consolidate with or merge into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (b) shall transfer all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and permitted assigns of such party shall assume all of the obligations of such party under this Agreement and the other Distribution Documents.

Section 6.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such State, all rights and remedies being governed by said laws.

Section 6.6 Counterparts; Effectiveness; Third-Party Beneficiaries. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other party hereto. Until and unless each party has received a counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Except for Section 4.7 and the indemnification and release provisions of Article 5, neither this Agreement nor any provision hereof is intended to confer any rights, benefits, remedies, obligations, or liabilities hereunder upon any Person other than the parties hereto and their respective successors and permitted assigns.

Section 6.7 Entire Agreement. This Agreement and the other Distribution Documents constitute the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, and negotiations, both written and oral, between the parties with respect to the subject matter hereof and thereof. No representation, inducement, promise, understanding, condition, or warranty not set forth herein or in the other Distribution Documents has been made or relied upon by any party hereto or any other member of its Group with respect to the transactions contemplated hereby or by the other Distribution Documents, and such reliance is hereby expressly disclaimed by SWBI, for itself and, to the fullest extent permitted by Applicable Law, the other members of its Group, and AOUT for itself and, to the fullest extent permitted by Applicable Law, the other members of its Group. Except as provided in Section 2.4, without limiting Section 5.9 and subject to Section 6.8, in the event and to the extent that there shall be a conflict between the provisions of this Agreement and the provisions of any Ancillary Agreement, the Ancillary Agreement shall control with respect to the subject

matter thereof, and this Agreement shall control with respect to all other matters; provided, that except as provided for in Section 2.4 to extent that there shall be a conflict between the provisions of this Agreement and the provisions of any Transfer Agreement, this Agreement shall control with respect to all matters.

Section 6.8 Tax Matters. Except as otherwise expressly provided herein, this Agreement shall not govern Tax matters (including any administrative, procedural, and related matters thereto), which shall be exclusively governed by the Tax Matters Agreement and the Employee Matters Agreement. For the avoidance of doubt, to the extent of any inconsistency between this Agreement and either of the Tax Matters Agreement or Employee Matters Agreement, the terms of the Tax Matters Agreement or Employee Matters Agreement, as the case may be, shall govern.

Section 6.9 Jurisdiction. To the fullest extent permitted by Applicable Law, each of the parties hereto, for themselves and, to the fullest extent permitted by Applicable Law, for the other members of their respective Group, (a) agrees that any suit, action, or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be exclusively resolved by the Court of Chancery of the State of Delaware, or, if the Court of Chancery of the State of Delaware does not have jurisdiction over a particular matter, the Superior Court of the State of Delaware (and the Complex Commercial Litigation Division thereof if such division has jurisdiction over the particular matter) or, if the Superior Court of the State of Delaware does not have jurisdiction over a particular mater, any federal court of the United States sitting in the State of Delaware (the "Delaware Courts"), (b) irrevocably consents to the exclusive jurisdiction of the Delaware Courts (and of the appropriate appellate courts therefrom), (c) irrevocably waives any objection that it may now or hereafter have to the laying of the venue of any such suit, action, or proceeding in the Delaware Courts or that any such suit, action, or proceeding brought in the Delaware Courts has been brought in an inconvenient forum, (d) agrees that process in any such suit, action, or proceeding may be served on any party or any member of its Group anywhere in the world, whether within or outside of the jurisdiction of the Delaware Courts, and (e) agrees that service of process on such party or any member of the Group as provided in Section 6.1 shall be deemed effective service of process on such Person.

Section 6.10 WAIVER OF JURY TRIAL. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE PARTIES HERETO, FOR THEMSELVES AND, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, FOR THE OTHER MEMBERS OF THEIR RESPECTIVE GROUP, WAIVES ANY RIGHT SUCH PERSON MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY ACTION, SUIT, OR PROCEEDING SEEKING TO ENFORCE ANY PROVISIONS OF, OR BASED ON ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 6.11 Termination. Notwithstanding any provision of this Agreement to the contrary, the Board of Directors of SWBI may, in its sole discretion and without the approval of AOUT or any other Person, at any time prior to the Distribution Time terminate this Agreement and/or abandon the Distribution, whether or not any Person has theretofore approved this Agreement and/or the Distribution. In the event this Agreement is terminated pursuant to the preceding sentence, this Agreement shall, to the fullest extent permitted by Applicable Law, forthwith become void and neither SWBI nor AOUT, nor any other member of their respective Group, nor any of their respective directors, officers, employees, or agents shall have any liability or further obligation to any other Person by reason of this Agreement.

Section 6.12 Severability. If any one or more of the provisions contained in this Agreement should be declared invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained in this Agreement shall not, to the fullest extent permitted by Applicable Law, in any way be affected or impaired thereby so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a declaration, the parties shall modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner so that the transactions contemplated hereby are consummated as originally contemplated to the fullest extent possible.

Section 6.13 Survival. All covenants and agreements of the parties contained in this Agreement shall survive the Distribution Date indefinitely, unless a specific survival or other applicable period is expressly set forth herein.

Section 6.14 Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

Section 6.15 Interpretation. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall, to the fullest extent permitted by Applicable Law, be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of its authorship of any of the provisions of this Agreement.

Section 6.16 Specific Performance. Each party to this Agreement, for itself, and, to the fullest extent permitted by Applicable Law, for the other members of its Group, acknowledges and agrees that monetary damages for a breach or threatened breach of any of the provisions of this Agreement would be inadequate and irreparable harm would occur. In recognition of this fact, each party agrees, for itself, and, to the fullest extent permitted by Applicable Law, for the other members of its Group, that, if there is a breach or threatened breach, in addition to any damages, the nonbreaching party, without posting any bond, shall, to the fullest extent permitted by Applicable Law, be entitled to seek and obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction, attachment, or any other equitable remedy which may then be available to obligate the breaching party (a) to perform its obligations under this Agreement or (b) if the breaching party is unable, for whatever reason, to perform those obligations, to take any other lawful actions as are necessary, advisable, or appropriate to give the other party the economic effect which comes as close as possible to the performance of those obligations (including transferring, or granting liens on, the assets of the breaching party to secure the performance by the breaching party of those obligations).

Section 6.17 Performance. Each party shall cause to be performed all actions, agreements, and obligations set forth herein to be performed by any other member of such party’s Group.

[Signature Page Follows]

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

SMITH & WESSON BRANDS, INC.

By: */s/ Mark P. Smith*
Name: Mark P. Smith
Title: President and Chief Executive Officer

AMERICAN OUTDOOR BRANDS, INC.

By: */s/ Brian D. Murphy*
Name: Brian D. Murphy
Title: President and Chief Executive Officer

Exhibit 10.121

TRANSITION SERVICES AGREEMENT

by and between

SMITH & WESSON BRANDS, INC.

and

AMERICAN OUTDOOR BRANDS, INC.

Dated as of August 21, 2020

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TRANSITION SERVICES AGREEMENT

THIS TRANSITION SERVICES AGREEMENT (this "Agreement"), is entered into as of August 21, 2020, by and between Smith & Wesson Brands, Inc., a Nevada corporation ("SWBI"), and American Outdoor Brands, Inc., a Delaware corporation ("AOUT").

RECITALS

WHEREAS, SWBI through its direct and indirect subsidiaries, owns the Firearm Business and the Outdoor Products and Accessories Business;

WHEREAS, SWBI and AOUT have entered into a Separation and Distribution Agreement, dated as of the date hereof (the "Separation and Distribution Agreement"), pursuant to which SWBI will be separated into two independent publicly traded companies: (a) SWBI, which, following the consummation of the transactions contemplated by the Separation and Distribution Agreement, will own and conduct the Firearm Business, and (b) AOUT, which, following the consummation of the transactions contemplated by the Separation and Distribution Agreement, will own and conduct the Outdoor Products and Accessories Business, which separation will be effected via the distribution by SWBI of all of the issued and outstanding shares of common stock of AOUT to the holders of SWBI common stock (the "Distribution");

WHEREAS, pursuant to the Separation and Distribution Agreement and in connection with the transactions contemplated thereby, SWBI and AOUT have agreed to enter into this Agreement, pursuant to which each party will provide, or cause its Affiliates to provide (in such capacity, as "Provider"), the other party (in such capacity, as "Recipient") with certain services, in each case on a transitional basis and subject to the terms and conditions set forth herein; and

NOW, THEREFORE, in consideration of the mutual agreements and covenants hereinafter set forth, AOUT and SWBI hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions. As used in this Agreement, the following terms have the following meanings:

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such other Person. For the purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing. Notwithstanding any provision of this Agreement to the contrary (except where the relevant provision states explicitly to the contrary), no member of the SWBI Group, on the one hand, and no member of the AOUT Group, on the other hand, shall be deemed to be an Affiliate of the other.

"Agreement" has the meaning set forth in the preamble to this Agreement.

"AOUT" has the meaning set forth in the preamble to this Agreement.

"AOUT Group" means AOUT and its subsidiaries as set forth in the Separation and Distribution Agreement, including all predecessors and successors to such Persons.

"AOUT Indemnified Parties" has the meaning set forth in Section 6.2.

"Applicable Law" means, with respect to any Person, any federal, state, local, or foreign law (statutory, common, or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling, directive, guidance, instruction, direction, permission, waiver, notice, condition, limitation, restriction or prohibition, or other similar requirement enacted, adopted, promulgated, imposed, issued, or applied by a Governmental Authority that is binding upon or applicable to such Person, its properties or assets, or its business or operations.

"Breaching Party" has the meaning set forth in Section 4.2.

"Business Day" means any day, other than Saturday, Sunday, or other day on which commercial banks in New York, New York are authorized or required by Applicable Law to close.

"Confidential Information" has the meaning set forth in Section 5.1(a).

"Disclosing Party" has the meaning set forth in Section 5.1(a).

"Distribution" has the meaning set forth in the recitals to this Agreement.

"Employee Expenses" has the meaning set forth in Section 3.1.

"End Date" has the meaning set forth in Section 2.1(e).

"Firearm Business" means the business, operations, products, services, and activities of SWBI's firearm business.

"Force Majeure Events" has the meaning set forth in Section 4.5.

"Governmental Authority" means any multinational, foreign, federal, state, local, or other governmental, statutory, or administrative authority, regulatory body, or commission or any court, tribunal, or judicial or arbitral authority which has any jurisdiction or control over either party (or any of their Affiliates).

"Liabilities" means any and all claims, debts, liabilities, damages, and/or obligations of any kind, character, or description, whether absolute or contingent, matured or not matured, liquidated or unliquidated, accrued or unaccrued, known or unknown, whenever arising, including all costs and expenses (including attorneys' fees and expenses and associated investigation costs) relating thereto, and including those claims, debts, liabilities, damages, and/or obligations arising under this Agreement, any Applicable Law, any action or threatened action, any order or consent decree of any Governmental Authority, or any award of any arbitrator of any kind, and those arising under any agreement, commitment, or undertaking, including in connection with the enforcement of rights hereunder or thereunder

"Non-Breaching Party" has the meaning set forth in Section 4.2.

"Out-of-Pocket Costs" has the meaning set forth in Section 3.2(a).

"Outdoor Products and Accessories Business" means the business, operations, products, services, and activities of SWBI's outdoor products and accessories business, which will be transferred from SWBI to AOUT in connection with the Distribution.

"Permitted Purpose" has the meaning set forth in Section 5.1(a).

"Person" means an individual, corporation, partnership, limited liability company, association, trust, or other entity or organization, including a Governmental Authority.

"Provider" has the meaning set forth in the recitals to this Agreement.

"Receiving Party" has the meaning set forth in Section 5.1(a).

"Recipient" has the meaning set forth in the recitals to this Agreement.

"Representatives" has the meaning set forth in Section 5.1(a).

"Separation and Distribution Agreement" has the meaning set forth in the recitals to this Agreement.

"Service Schedules" has the meaning set forth in Section 2.1(a).

"Services" has the meaning set forth in Section 2.1(a).

"SWBI" has the meaning set forth in the preamble to this Agreement.

"SWBI Group" means SWBI and its subsidiaries as set forth in the Separation and Distribution Agreement, including all predecessors and successors to such Persons.

"SWBI Indemnified Parties" has the meaning set forth in Section 6.3.

ARTICLE 2
SERVICES

Section 2.1 Provision of Services.

(a) Commencing on the Distribution, Provider agrees to provide the services (the "Services") set forth in the schedules attached hereto (such schedules may be amended or supplemented pursuant to the terms of this Agreement, collectively the "Service Schedules") to Recipient, for the respective periods and on the other terms and conditions set forth in this Agreement and the Service Schedules.

(b) Notwithstanding the contents of the Service Schedules, Provider agrees to respond in good faith to any reasonable request by Recipient for access to any additional services that are necessary for the operation of the Firearm Business and/or the Outdoor Products and Accessories Business, as applicable, following the Distribution that are not currently contemplated in the Service Schedules, at a price to be agreed upon after good faith negotiations between the parties. Any such additional services so provided by Provider shall constitute Services under this Agreement and be subject in all respects to the provisions of this Agreement as if fully set forth on the Service Schedules as of the date hereof.

(c) The parties hereto acknowledge the transitional nature of the Services. Accordingly, as promptly as practicable following the execution of this Agreement, Recipient agrees to use commercially reasonable efforts to make a transition of each Service to its own internal organization or to obtain alternate third-party sources to provide the Services.

(d) In providing the Services, Provider shall not be obligated to (i) purchase, lease, or license any additional equipment or software unless any additional costs to Provider are reimbursed by Recipient, (ii) create or supply any documentation or information not currently existing or available through minimal efforts of Provider, (iii) pay any costs related to the transfer or conversion of data to Recipient or any alternate supplier of the Services, or (iv) enter into additional contracts with third parties or change the scope of current agreements with third parties unless any additional costs to Provider are reimbursed by Recipient.

(e) Subject to Section 3.3, Section 3.4, and Section 4.5, the obligations of Provider under this Agreement to provide Services shall terminate with respect to each Service upon the earlier of (i) August 24, 2022, or (ii) the termination of the applicable service period specified in the Service Schedule (each, an "End Date"). Notwithstanding the foregoing, the parties acknowledge and agree that Recipient may determine from time to time that it does not require all the Services set forth on the Service Schedules or that it does not require such Services for the entire period up to the applicable End Date. Accordingly, Recipient may terminate any Service, in whole or in part, upon thirty (30) days' advance written notice to Provider. In no event shall Provider be obligated to provide Services to Recipient after the End Date unless Provider otherwise agrees in writing to such an extension pursuant to Section 3.3.

Section 2.2 Standard of Service.

(a) Provider represents, warrants, and agrees that the Services shall be provided in good faith, in accordance with Applicable Law, and in a manner generally consistent with the historical provision of the Services and with the same standard of care as historically provided. Subject to Section 2.3, Provider agrees to assign sufficient resources and qualified personnel as are reasonably required to perform the Services in accordance with the standards set forth in the preceding sentence.

(b) Except as expressly set forth in Section 2.2(a) or in any contract entered into hereunder, Provider makes no representations and warranties of any kind, implied or expressed, with respect to the Services, including, without limitation, no warranties of merchantability or fitness for a particular purpose, which are specifically disclaimed. Recipient acknowledges and agrees that this Agreement does not create a fiduciary relationship, partnership, joint venture, or relationships of trust or agency between the parties and that all Services are provided by Provider as an independent contractor.

Section 2.3 Third-Party Service Providers. Provider shall have the right to hire third-party subcontractors to provide all or part of any Service hereunder; provided, however, that in the event such subcontracting is inconsistent with past practices or such subcontractor is not already engaged with respect to such Service as of the date hereof, Provider shall obtain the prior written consent of Recipient to hire such subcontractor, which consent shall not be unreasonably withheld. Provider shall in all cases retain responsibility for the provision to Recipient of Services to be performed by any third-party service provider or subcontractor or by any of Provider's Affiliates.

Section 2.4 Access to Premises.

(a) In order to enable the provision of the Services by Provider, Recipient agrees that it shall provide to Provider's Affiliates, employees, and any third-party service providers or subcontractors who provide Services, at no cost to Provider, access to the facilities, assets, and books and records of Recipient and its Affiliates, in all cases to the extent reasonably necessary for Provider to fulfill its obligations under this Agreement.

(b) Provider agrees that all of its and its Affiliates' employees and any third-party service providers and subcontractors, when on the property of Recipient or when given access to any equipment, computer, software, network, or files owned or controlled by Recipient, shall conform to the policies and procedures of Recipient concerning health, safety, and security which are made known to Provider in advance in writing.

ARTICLE 3
COMPENSATION

Section 3.1 Responsibility for Wages and Fees. For such time as any employees of Provider or any of its Affiliates are providing the Services to Recipient under this Agreement, (a) such employees will remain employees of Provider or such Affiliate, as applicable, and shall not be deemed to be employees of Recipient for any purpose, and (b) subject to Section 3.2, Provider or such Affiliate, as applicable, shall be solely responsible for the payment and provision of all wages, bonuses, and commissions, employee benefits, including severance and worker's compensation, and the withholding and payment of applicable taxes relating to such employment ("Employee Expenses").

Section 3.2 Terms of Payment and Related Matters.

(a) As consideration for provision of the Services, Recipient shall pay Provider the amount specified for each Service in accordance with the terms set forth in the Service Schedules. In addition to such amounts, unless covered in the amount specified for the Services in accordance with the terms set forth in the Service Schedules, Recipient shall reimburse Provider for reasonable documented expenses incurred by Provider in the provision of any Service, including, without limitation, Employee Expenses, license fees, and payments to third-party service providers or subcontractors (collectively, "Out-of-Pocket Costs"), in accordance with the procedure set forth in Section 3.2(c).

(b) During the term of this Agreement, SWBI shall apply a credit against any amounts payable by AOUT, as a Recipient of Services, to SWBI, as a Provider of Services, pursuant to Section 3.2(a), as follows:

(i) $900,000, which will be applied during the period beginning on the date of this Agreement and ending on the first anniversary of the date of this Agreement; and

(ii) $450,000, which will be applied during the period beginning on the first anniversary of the date of this Agreement and ending on the second anniversary of the date of this Agreement.

(c) Provider shall provide Recipient with such supporting documentation as Recipient may reasonably request with respect to Out-of-Pocket Costs. Subject to Section 3.2(d), Recipient shall pay to Provider the amount payable pursuant to this Agreement as promptly as reasonably practicable after the date of receipt of such supporting documentation by Recipient from Provider, but in any event no later than 15 days after receipt of such supporting documentation. Notwithstanding any other provision of this Agreement (except Section 3.3), compensation for Services will be determined using an internal cost allocation methodology based on fully burdened cost such that the party providing the Services will have neither a profit nor loss from the provision of such Services as calculated under GAAP.

(d) In the event of a dispute by Recipient of the amount due according to the supporting documentation, no later than ten (10) days following receipt by Recipient of such disputed supporting documentation, Recipient shall deliver a written statement to Provider listing all disputed items and providing a reasonably detailed description of each disputed item. Amounts not so disputed shall be deemed accepted and shall be paid, notwithstanding disputes on other items, within the period set forth in Section 3.2(c). The parties shall seek to resolve all such disputes expeditiously and in good faith but if such dispute cannot be resolved within thirty (30) days, Provider may initiate legal action to seek resolution of such dispute.

Section 3.3 Extension of Services. The parties agree that Provider shall not be obligated to perform any Service after the applicable End Date; provided, however, that if Recipient desires and Provider agrees to continue to perform any of the Services after the applicable End Date, the parties shall negotiate in good faith to determine a market price that compensates Provider for its performance of such Services, including reimbursement of all Out-of-Pocket Costs and an ongoing procedure for such reimbursement. Except as amended through the mutually agreed upon extension, the Services so performed by Provider after the applicable End Date shall continue to constitute Services under this Agreement and be subject in all respects to the provisions of this Agreement for the duration of the agreed-upon extension period.

Section 3.4 Terminated Services. Upon termination or expiration of any or all Services pursuant to this Agreement, or upon the termination of this Agreement in its entirety, Provider shall have no further obligation to provide the applicable terminated Services and Recipient will only have the obligation to pay Provider pursuant to Section 3.2 for or in respect of (a) Services already provided in accordance with the terms of this Agreement and received by Recipient prior to such termination, and (b) which Provider became legally bound on or before such termination or expiration to pay as a result of the provision of Services to Recipient.

Section 3.5 No Right of Setoff. Each of the parties hereby acknowledges that it shall have no right under this Agreement to offset any amounts owed (or to become due and owing) to the other party, whether under this Agreement, the Separation and Distribution Agreement, or otherwise, against any other amount owed (or to become due and owing) to it by the other party.

ARTICLE 4
TERMINATION

Section 4.1 Termination of Agreement. Subject to Section 4.4, this Agreement shall terminate in its entirety upon the earlier of (a) the End Date, (b) the date upon which the parties shall have no continuing obligation to perform any Services as a result of each of their expiration or termination in accordance with Section 2.1(e) or Section 4.2, or (c) in accordance with Section 4.3.

Section 4.2 Termination of Agreement in the Event of Breach. Any party (the "Non-Breaching Party") may terminate this Agreement with respect to any Service, in whole or in part, at any time upon prior written notice to the other party (the "Breaching Party") if the Breaching Party has failed (other than pursuant to Section 4.5) to perform any of its obligations under this Agreement relating to such Service, and such failure shall have continued without cure for a period of fifteen (15) days after receipt by the Breaching Party of a written notice of such failure from the Non-Breaching Party seeking to terminate such Service.

Section 4.3 Insolvency. In the event that either party hereto shall (a) file a petition in bankruptcy, (b) become or be declared insolvent, or become the subject of any proceedings (not dismissed within sixty (60) days) related to its liquidation, insolvency, or the appointment of a receiver, (c) make an assignment on behalf of all or substantially all of its creditors, or (d) take any corporate action for its winding up or dissolution, then the other party shall have the right to terminate this Agreement by providing written notice in accordance with Section 7.1.

Section 4.4 Effect of Termination. Upon termination of this Agreement in its entirety pursuant to Section 4.1, all obligations of the parties hereto shall terminate, except for the provisions of Section 3.2, Section 3.4, Section 3.5, Article 4, Article 5 and Article 6, which shall survive any termination or expiration of this Agreement.

Section 4.5 Force Majeure. The obligations of Provider under this Agreement with respect to any Service shall be suspended during the period and to the extent that Provider is prevented or hindered from providing such Service, or Recipient is prevented or hindered from receiving such Service, due to any of the following causes beyond such party's reasonable control (such causes, "Force Majeure Events"): (a) acts of God; (b) flood, fire, or explosion, (c) war, invasion, riot, or other civil unrest; (d) Applicable Law or judicial or administrative order; (e) actions, embargoes, or blockades in effect on or after the date of this Agreement; (f) action by any Governmental Authority; (g) national or regional emergency; (h) strikes, labor stoppages, or slowdowns or other industrial disturbances; (i) shortage of adequate power or transportation facilities; (j) pandemics; or (k) any other event which is beyond the reasonable control of such party. The party suffering a Force Majeure Event shall give notice of suspension as soon as reasonably practicable to the other party stating the date and extent of such suspension and the cause thereof, and Provider shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. Neither Provider nor Recipient shall be liable for the nonperformance or delay in performance of its respective obligations under this Agreement when such failure is due to a Force Majeure Event. The applicable End Date for any Service so suspended shall be automatically extended for a period of time equal to the time lost by reason of the suspension.

ARTICLE 5
CONFIDENTIALITY

Section 5.1 Confidentiality.

(a) During the term of this Agreement and thereafter, the parties hereto shall, and shall instruct their respective employees, agents, accountants, legal counsel, and other representatives ("Representatives") to, maintain in confidence and not disclose the other party's financial, technical, sales, marketing, development, personnel, and other information, records, or data, including, without limitation, customer lists, supplier lists, trade secrets, designs, product formulations, product specifications, or any other proprietary or confidential information, however recorded or preserved, whether written or oral (any such information, "Confidential Information"). Each party hereto shall use the same degree of care, but no less than reasonable care, to protect the other party's Confidential Information as it uses to protect its own Confidential Information of like nature. Unless otherwise authorized in any other agreement between the parties, any party receiving any Confidential Information of the other party (the "Receiving Party") may use Confidential Information only for the purposes of fulfilling its obligations under this Agreement (the "Permitted Purpose"). Any Receiving Party may disclose such Confidential Information only to its Representatives who have a need to know such information for the Permitted Purpose and who have been advised of the terms of this Section 5.1 and the Receiving Party shall be liable for any breach of these confidentiality provisions by such Persons; provided, however, that any Receiving Party may disclose such Confidential Information to the extent such Confidential Information is required to be disclosed by Applicable Law or judicial or administrative order, in which case the Receiving Party shall promptly notify, to the extent possible, the disclosing party (the "Disclosing Party"), and take reasonable steps to assist in contesting such disclosure or in protecting the Disclosing Party's rights prior to disclosure, and in which case the Receiving Party shall only disclose such Confidential Information that it is advised by its counsel in writing that it is legally bound to disclose under such Applicable Law or judicial or administrative order.

(b) Notwithstanding the foregoing, "Confidential Information" shall not include any information that the Receiving Party can demonstrate (i) was publicly known at the time of disclosure to it, or has become publicly known through no act of the Receiving Party or its Representatives in breach of this Section 5.1, (ii) was rightfully received from a third party without a duty of confidentiality, or (iii) was developed by it independently without any reliance on the Confidential Information.

(c) Upon demand by the Disclosing Party at any time, or upon expiration or termination of this Agreement with respect to any Service, the Receiving Party agrees promptly to return or destroy, at the Disclosing Party's option, all Confidential Information. If such Confidential Information is destroyed, an authorized officer of the Receiving Party shall certify to such destruction in writing.

ARTICLE 6
LIMITATION ON LIABILITY; INDEMNIFICATION

Section 6.1 Limitation on Liability. In no event shall either party hereto have any liability under any provision of this Agreement for any punitive, special, or indirect damages relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple, whether based on statute, contract, tort, or otherwise, and whether or not arising from the other party's sole, joint, or concurrent negligence, strict liability, criminal liability, or other fault. Recipient acknowledges that the Services to be provided to it hereunder are subject to, and that its remedies under this Agreement are limited by, the applicable provisions of Section 2.2, including the limitations on representations and warranties with respect to the Services.

Section 6.2 SWBI Indemnification. Subject to the limitations set forth in Section 6.1, SWBI shall indemnify, defend, and hold harmless AOUT and its Affiliates and each of their respective Representatives (collectively, the "AOUT Indemnified Parties") from and against any and all Liabilities of the AOUT Indemnified Parties relating to, arising out of, or resulting from the gross negligence or willful misconduct of SWBI or its Affiliates or any third party that provides a Service to AOUT pursuant to Section 2.3 in connection with the provision of, or failure to provide, any Services to AOUT.

Section 6.3 AOUT Indemnification. Subject to the limitations set forth in Section 6.1, AOUT shall indemnify, defend, and hold harmless SWBI and its Affiliates and each of their respective Representatives (collectively, the "SWBI Indemnified Parties") from and against any and all Liabilities of the SWBI Indemnified Parties relating to, arising out of, or resulting from the gross negligence or willful misconduct of AOUT or its Affiliates or any third party that provides a Service to SWBI pursuant to Section 2.3 in connection with the provision of, or failure to provide, any Services to SWBI.

ARTICLE 7
MISCELLANEOUS

Section 7.1 Notices. All supporting documentation, invoices, notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt), (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested), (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient, or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.1):

(a) if to SWBI:

Smith & Wesson Brands, Inc.
2100 Roosevelt Avenue
Springfield, Massachusetts 01104
Email: rcicero@smith-wesson.com
Attn: General Counsel

with a copy (which shall not constitute notice) to:

Greenberg Traurig, LLP
2375 East Camelback Road, Suite 700
Phoenix, Arizona 85016
Attn: Robert S. Kant
Katherine A. Beck
Email: kantr@gtlaw.com
beckk@gtlaw.com

(b) if to AOUT:

American Outdoor Brands, Inc.
1800 North Route Z
Columbia, Missouri 65202
Attn: Chief Counsel
Email: dbrown@aob.com

with a copy (which shall not constitute notice) to:

Greenberg Traurig, LLP
2375 East Camelback Road, Suite 700
Phoenix, Arizona 85016
Attn: Robert S. Kant
Katherine A. Beck
Email: kantr@gtlaw.com
beckk@gtlaw.com

Section 7.2 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 7.3 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 7.4 Entire Agreement. This Agreement, including the Service Schedules, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event and to the extent that there is a conflict between the provisions of this Agreement and the provisions of the Separation and Distribution Agreement as it relates to the Services hereunder, the provisions of this Agreement shall control.

Section 7.5 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Subject to the following sentence, neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing sentence, Recipient may, without the prior written consent of Provider, assign all or any portion of its right to receive Services to any of its Affiliates; provided, that such Affiliate shall receive such Services from Provider in the same place and manner as described in the Service Schedule as Recipient would have received such Service. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 7.6 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever, under or by reason of this Agreement.

Section 7.7 Amendment and Modification; Waiver. This Agreement, including the Service Schedules, may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

Section 7.8 Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the state of Delaware without giving effect to any choice or conflict of law provision or rule. Any legal suit, action, or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the state of Delaware, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding. Service of process, summons, notice, or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action, or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action, or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum.

Section 7.9 Waiver of Jury Trial. Each party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby. Each party to this Agreement certifies and acknowledges that (a) no representative of any other party has represented, expressly or otherwise, that such other party would not seek to enforce the foregoing waiver in the event of a legal action, (b) such party has considered the implications of this waiver, (c) such party makes this waiver voluntarily, and (d) such party has been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 7.9.

Section 7.10 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature Page Follows]

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

SMITH & WESSON BRANDS, INC.

By: */s/ Mark P. Smith*
Name: Mark P. Smith
Title: President and Chief Executive Officer

AMERICAN OUTDOOR BRANDS, INC.

By: */s/ Brian D. Murphy*
Name: Brian D. Murphy
Title: President and Chief Executive Officer

Signature Page to Transition Services Agreement

SCHEDULE A

Information Technology Services

ID	Service	Description	Service Period	Cost[1]
1	IT Systems	SWBI will provide AOUT (and third parties designated by AOUT) with network access to the SWBI IT systems specified below in the attached Schedule A-1. SWBI will provide AOUT with reasonable notice in advance of any planned system maintenance outages so that AOUT can properly plan for such outages.	Up to 24 months commencing on the Distribution; provided, however, that this term may be extended by mutual agreement of AOUT and SWBI pursuant to Section 3.3.	
2	Share Point and Shared Drives	SWBI to provide AOUT with access to the SWBI shared drives set forth in the attached Schedule A-2 until such time as they have been carved out or copied and provided to AOUT:	Up to 24 months commencing on the Distribution.	
3	E-mail	SWBI to provide AOUT with access to historical emails, to the extent not transferred prior to or following the Distribution. Email will be migrated from SWBI to AOUT prior to the termination of this transition service.	Up to 24 months commencing on the Distribution.	
4	End User Support	SWBI to provide AOUT with Service Desk services until such time as substitute Service Desk services are established by AOUT. Service desk services of AOUT will be split into: Traditional IT service desk – PC maintenance, software licensing, password reset, network/infrastructure, Citrix, printer / copier maintenance etc. SAP support – Break/Fix and interface support, mass data loads, batch jobs, go anywhere file movement, authorization support, EDI, data carve out/copy for transition to new ERP system by AOUT. In the event that AOUT acquires a new company or business or performs other integrations while this transition service is in effect, SWBI will assist in the loading of the data for that newly acquired company in SAP. The assumption is that any new acquisitions will follow current business processes.	Up to 24 months commencing on the Distribution.	

1 Costs for services in this Schedule A will be calculated as set forth in the “Cost and Billing” section below.

ID	Service	Description	Service Period	Cost[1]
		New custom development in SAP solely for AOUT will not be provided to AOUT, nor will support of ERP selection or implementation by AOUT, or loading of legacy data into the newly selected ERP system. However, SWBI will provide data extraction and transfer to assist AOUT's third-party consultants in implementation of new AOUT ERP system. AOUT will manage and provide its own cyber security for the websites directly related to AOUT. SWBI will not provide administration and cyber security to web sites that are not operated and maintained by SWBI. SWBI will not provide support for AOUT's Salesforce.com functionality. SWBI will work with AOUT to establish and adhere to quarterly system maintenance windows in which systems may be down and unavailable for use.		

Cost and Billing

AOUT will be billed by SWBI monthly for services rendered associated with this Agreement according to the following guidelines:

- Hardware purchased by SWBI for AOUT will be billed at cost.
- Software licensing will be billed by SWBI at the license cost per application per person.
- Day-to-day IT support supplied to AOUT will be billed by SWBI as 15% of the fully burdened salary plus fringe of the infrastructure, service desk, CoE, BASIS, and authorization teams monthly. This percentage will be revisited quarterly in order to ensure that the charges and percentage of time spent on AOUT IT support are appropriate and justified. These assessments may increase or decrease the rate billed by SWBI to AOUT.
- Development project(s) for the sole use of AOUT will be estimated by SWBI by functional area/resource and billed above and beyond day-to-day IT services.

SCHEDULE A-1

IT Systems

ID	System/Software	Description	Additional notes	Cost[2]
1	SAP	CoE—Supported as described in Schedule A, IT Services	No Infrastructure	
2	Esker	Infrastructure – Support connectivity with SAP & SAGE CoE—Interface support as needed		
3	Sterling Integrator	Infrastructure – Support Servers, vendor connectivity CoE—Day to day business support for all EDI transactions between SAP and trading partners.		
4	Solidworks	Infrastructure – Support Server, Licensing		
5	Creo	Infrastructure – Support Server, Licensing		
6	Office 365/suite	Infrastructure – Email Domains, SharePoint		
7	Blackline	CoE—Interface support as needed	No Infrastructure	
8	Qlikview	Infrastructure – Support Servers CoE—Break/fix support of existing reports. SWBI may choose to use existing or create Qlikview reports if deemed necessary to support data carve out.		
9	ADP	Access will be provided and administered. CoE – Interface support as needed	No Infrastructure	
10	Trend Micro	End point and server anti-virus software. Software and updates will be supported. Infrastructure – Support Servers		
11	Blue Prism	Infrastructure – Support Servers		

2 During the last year of the transition services to be provided under this Schedule A-1, licensing for the applicable software will be transitioned to AOUT from SWBI on the respective anniversary of each license renewal. Until that date, SWBI will cross charge AOUT for the cost of each such license.

ID	System/Software	Description	Additional notes	Cost[2]
12	SPS Commerce	Complete transition of trading partners from SPS commerce to Sterling Integrator	No Infrastructure	
13	Adobe	Reader, Pro, and Creative Cloud. Licensing and installation supported	No Infrastructure	
14	PDM Standard	PDM vault for solids. Database and application support		
17	Paymetric	Infrastructure – Support Servers		
18	QAS (address verification)	Infrastructure – Support Servers Installation and testing of updates		
19	Active Directory	Infrastructure – Support Servers; user accounts; security groups		
20	Network services	Infrastructure – Support network switches, routers, firewalls, wireless, LAN, WAN, VPN		
21	SAP Console	Infrastructure – Support Servers		
22	Winshuttle Foundation	Infrastructure – Support Servers. Break / fix for purchase requisition release process.		
23	Winshuttle data services	Infrastructure – Support Servers CoE—Break/fix support as well as mass updates as needed.		
24	Wells Fargo	Interface and file administration support. Infrastructure – Support Servers and FTP/SFTP connections/accounts CoE—Interface support as needed.		
25	TD Bank	Interface and file administration support. Infrastructure – Support Servers and FTP/SFTP connections/accounts CoE—Interface support as needed.		
26	Printing services	Print servers Maintain printers Infrastructure – Support Servers		

ID	System/Software	Description	Additional notes	Cost[1]
27	SMTP Email relay	Infrastructure – Support Servers		
28	SQL database servers	Infrastructure – Support Servers		
29	SAP GRC services	Support audit compliance / segregation of duties for AOUT		
30	Citrix	Need to determine remote access needs of AOUT moving forward		
31	KBOX	KBOX will be used to track ticket progress and resolution for AOUT		
32	Sage – Taylor Brands	Infrastructure – Support Servers and access controls		
33	Sage – Crimson Trace	Infrastructure – Support Servers and access controls		
34	Sage – UST	Infrastructure – Support Servers and access controls		
35	Great Plains – BTI	Infrastructure – Support Servers		
36	SAP Concur	Access and travel administration will be supported until AOUT establishes their own travel and expense solution	No Infrastructure	
37	Readsoft	Legacy invoicing data. Infrastructure – Support Servers		
38	Mitel/Telephone	Phone systems in Chicopee, Columbia and Crimson Trace. Infrastructure – Support		
39	Bartender	CoE – maintain necessary customer labels as well as the associated interfaces and printing functionality. Infrastructure – Support Servers		
40	Currency Exchange Interface	Thompson Reuter's currency exchange interface CoE—Interface support as needed		

ID	System/Software	Description	Additional notes	Cost[1]
41	Process Weaver	CoE—Interface support as needed Infrastructure – Support Servers		
42	SFCC Interface	CoE – support SAP interface with SFCC		
43	Windchill	Windchill engineering software – Software installation when required		

SCHEDULE A-2

Shared Drives

ID	Network Drive	Description	Additional notes
1	\\san-cifs01.smith-wesson.com\usr-share (H)	Shared drive space by endpoint	Allows people to store files on a network drive that is not accessible by other people
2	\\SAN-CIFS01.smith-wesson.com (I)	Shared drive. Access can be limited by folder.	
3	\\SAN-CIFS01.smith-wesson.com (T)	Shared drive. Access can be limited by folder.	

SCHEDULE B

Finance Services

ID	Service	Description	Service Period	Cost[3]
1	Financial Business Transactions	As reasonably requested by either party, the other party to provide support and training for the requesting party to perform financial business transactions, including accounting, consolidation, reporting, and forecasting.	Up to 24 months commencing on the Distribution.	
2	Treasury	As reasonably requested by either party, the other corresponding party will support the requesting party with banking activities (including banking and cash management processes and procedures).	Up to 24 months commencing on the Distribution.	
3	Tax	As reasonably requested by either party, the other party will provide support and assistance in the resolution of audit matters related to any tax filing that occurred prior to the spin-off of AOUT.	Up to 24 months commencing on the Distribution.	
4	Audit	SWBI to provide AOUT with SOC1 testing and certificate; reasonable cost to be paid by AOUT. Failing the ability to provide a SOC1, SWBI will accommodate AOUT's auditors in testing internal controls over information technology systems. SWBI to provide AOUT with support, knowledge transfer, and training related to internal controls.	Up to 24 months commencing on the Distribution.	

[3] Cost for all Finance Services will be calculated in accordance with Section 3.2 of this Agreement.

SCHEDULE C

Human Resources Services

ID	Service	Description	Service Period	Cost
1	401(k)	As reasonably requested by AOUT, SWBI to (i) provide information and consulting services regarding prior participation by any AOUT employee in the SWBI 401(k) plan, and (ii) assist in transitioning AOUT employees to the AOUT 401(k) plan, including with respect to questions/issues that arise regarding the transfer of participant accounts, loans, etc. from the SWBI 401(k) plan into the AOUT 401(k) plan. For these services, the primary service providers will be Benefits Manager, Jim Pashko, or Benefits Specialist, (currently Liz Carroll), provided that neither shall dedicate more than 5% of their time during the service period.	Up to 24 months commencing on the Distribution.	$48/hour
2	E-Trade	As reasonably requested by AOUT, SWBI to provide consulting services regarding administration of AOUT's E-Trade platform and equity/ESPP program. For these services, the primary service providers will be Lisa Gebhardt and/or Laura Olmeda-Smith, provided that neither shall dedicate more than 5% of their time during the service period. E-Trade to be the primary consultant for things such as processing, admin. SWBI would be the resource on plans, historical eligibility, ESPP historical records, etc.	Up to 24 months commencing on the Distribution.	$76/hour

SCHEDULE D

Compliance Services

ID	Service	Description	Service Period	Cost[4]
1	Compliance Training	As reasonably requested by AOUT, SWBI will provide assistance in managing quarterly, online compliance training for AOUT employees. For these services, the primary service provider shall be SWBI's Corporate Compliance Analyst, provided that the service provider shall not dedicate more than 5% of his or her time to the provision of these services to AOUT during the service period.	Up to 6 months commencing on the Distribution.	
2	Policy Management	As reasonably requested by AOUT, SWBI will provide assistance in managing compliance policies. For these services, the primary service provider shall be SWBI's Corporate Compliance Analyst, provided that the service provider shall not dedicate more than 5% of his or her time to the provision of these services to AOUT during the service period.	Up to 6 months commencing on the Distribution.	
3	Anti-Corruption and Third Party Management	As reasonably requested by AOUT, SWBI will provide assistance managing AOUT's Anti-Corruption processes, policies, and procedures, including due diligence and training. For these services, the primary service provider shall be SWBI's Director of Corporate Compliance, Hope Sholes, provided that Ms. Sholes shall not dedicate more than 15% of her time to the provision of these services to AOUT during the service period.	Up to 6 months commencing on the Distribution.	
4	Export Compliance	As reasonably requested by AOUT, SWBI will provide assistance in managing AOUT's Export Controls processes, policies, and procedures, including training. For these services, the primary service provider shall be SWBI's Trade Compliance Manager, Sharon Breault, provided that Ms. Breault shall not dedicate more than 15% of her time to the provision of these services to AOUT during the service period.	Up to 6 months commencing on the Distribution.	

4 Cost for all Compliance Services will be calculated in accordance with Section 3.2 of this Agreement.

SCHEDULE E

Legal Services

ID	Service	Description	Service Period	Cost[5]
1	Knowledge Transfer	As reasonably requested by AOUT, SWBI Legal Department personnel shall provide knowledge transfer and general assistance to AOUT, related to legal matters that occurred prior to the Distribution. No information or assistance may be provided to the extent it would create a conflict of interest, violate any confidentiality obligations, risk the loss of attorney-client privilege, expose SWBI to potential liability, or otherwise interfere with the operation of SWBI's business. AOUT shall use all reasonable efforts to minimize the extent of requested knowledge transfer and general assistance from SWBI. The areas of knowledge transfer will include the following: • Access to information from SWBI's e-billing and matter management system, on an as-needed basis • Access to SWBI's information regarding contract management, on an as-needed basis • Access to information and supporting documentation for materials filed with the SEC prior to the Distribution	Up to 12 months commencing on the Distribution.	
2	Legal Services —IP	As reasonably requested by AOUT, SWBI Legal Department personnel shall provide assistance with regard to the legal aspects of managing AOUT's intellectual property portfolio. For these services, the primary service providers shall be Associate General Counsel, Chris Scott, and Intellectual Property Paralegal, Paul Szulak, provided that neither Mr. Scott nor Mr. Szulak shall dedicate more than 15% of his time to the provision of these services to AOUT during the service period.	Up to 6 months commencing on the Distribution.	
3	Legal Services _ Data Privacy and	As reasonably requested by AOUT, SWBI Legal Department personnel shall provide assistance with issues relating to privacy law and cybersecurity law.	Up to 6 months commencing on the Distribution.	

[5] Cost for all Legal Services will be calculated in accordance with Section 3.2 of this Agreement.

ID	Service	Description	Service Period	Cost[5]
	Cyber Security	For these services, the primary service provider shall be Assistant General Counsel, Ahsan Khan, provided that Mr. Khan shall not dedicate more than 5% of his time to the provision of these services to AOUT during the service period.		
4	Legal Services – Commercial Contracts	As reasonably requested by AOUT, SWBI Legal Department personnel shall provide assistance with issues relating to commercial contracts. For these services, the primary service provider shall be Assistant General Counsel, Ahsan Khan, provided that Mr. Kahn shall not dedicate more than 10% of his time to the provision of these services to AOUT during the service period.	Up to 6 months commencing on the Distribution.	
5	Legal Services —Corporate	As reasonably requested by AOUT, SWBI Legal Department personnel shall provide assistance with legal entity formation and corporate organization and maintenance matters. For these services, the primary service provider shall be General Counsel, Robert Cicero, provided that Mr. Cicero shall not dedicate more than 5% of his time to the provision of these services to AOUT during the service period.	Up to 6 months commencing on the Distribution.	

SCHEDULE F

Security Services

ID	Service	Description	Service Period	Cost[6]
1	Security Services	SWBI Security will continue to provide the security services and continue to administer the security systems in place at the Columbia, Missouri facility as of the Distribution	Up to 6 months commencing on the Distribution.	

6 Cost for all Security Services will be calculated in accordance with Section 3.2 of this Agreement.

SCHEDULE G

Investor Relations Support Services

ID	Service	Description	Service Period	Cost[7]
1	Investor Relations	SWBI pays AOUT for investor relations consulting services as needed, up to an agreed maximum percentage of available time of AOUT's Investor Relations employee(s)	Up to 24 months commencing on the Distribution.	

7 Cost for all Investor Relations Services will be calculated in accordance with Section 3.2 of this Agreement.

Exhibit 10.122

TAX MATTERS AGREEMENT

by and between

SMITH & WESSON BRANDS, INC.

and

AMERICAN OUTDOOR BRANDS, INC.

Dated as of August 21, 2020

TAX MATTERS AGREEMENT

THIS TAX MATTERS AGREEMENT (this "Agreement") is entered into as of August 21, 2020, by and between Smith & Wesson Brands, Inc., a Nevada corporation ("SWBI"), and American Outdoor Brands, Inc., a Delaware corporation ("AOUT"). Each of SWBI and AOUT is sometimes referred to herein as a "Party" and, collectively, as the "Parties."

WHEREAS, pursuant to the Separation and Distribution Agreement, dated as of August 21, 2020, by and between SWBI and AOUT (the "Separation Agreement"), SWBI agreed, among other things, to contribute certain assets to AOUT (the "Contribution") and to distribute all of the outstanding stock of AOUT to SWBI's stockholders (the "Distribution");

WHEREAS, prior to consummation of the Distribution, SWBI was in "control" of AOUT (within the meaning of Section 368(c) of the Code);

WHEREAS, the Parties intend that, for federal income Tax purposes, the Contribution and the Distribution qualify as a reorganization within the meaning of Section 368(a)(1)(D) of the Code and a distribution to which Section 355 of the Code applies and this Agreement and any related agreement constitute a "plan of reorganization" within the meaning of Section 368 of the Code;

WHEREAS, the obligation of SWBI to consummate the Contribution and Distribution is conditioned, among other things, upon the receipt of a tax opinion from the Tax Advisor that the Contribution and the Distribution will qualify as a reorganization within the meaning of Section 368(a)(1)(D) of the Code and a distribution to which Section 355 of the Code applies (the "Tax Opinion"); and

WHEREAS, the Parties wish to (a) provide for the payment of Tax liabilities and entitlement to refunds thereof, allocate responsibility for, and cooperation in the filing of Tax Returns, and provide for certain other matters relating to Taxes, and (b) set forth certain covenants and indemnities relating to the preservation of the intended Tax treatment of the Contribution and the Distribution.

NOW, THEREFORE, in consideration of the foregoing and the terms, conditions, covenants and provisions of this Agreement, each of the Parties mutually covenants and agrees as follows:

ARTICLE I
DEFINITIONS

Section 1.01. General. As used in this Agreement, the following terms have the following meanings:

"Affiliated Group" means an affiliated group of corporations within the meaning of Section 1504(a) of the Code, or any other group filing consolidated, combined or unitary Tax Returns under state, local or foreign law.

"Agreement" has the meaning set forth in the preamble to this Agreement.

"AOUT" has the meaning set forth in the preamble to this Agreement.

"AOUT Equity Awards" has the meaning set forth in the Employee Matters Agreement.

"AOUT Group" has the meaning set forth in the Separation Agreement.

"AOUT Separate Tax Return" means any Tax Return that is required to be filed by, or with respect to, a member of the AOUT Group that is not a Combined Tax Return.

"AOUT Tax Representation Letter" means the tax representation letter from AOUT addressed to the Tax Advisor dated July 1, 2020, supporting the Tax Opinion.

"Closing of the Books Method" means the apportionment of items between portions of a taxable period based on a closing of the books and records on the close of the Distribution Date (in the event that the Distribution Date is not the last day of the taxable period, as if the Distribution Date were the last day of the taxable period), subject to adjustment for items accrued on the Distribution Date that are properly allocable to the taxable period following the Distribution, as determined by SWBI in accordance with applicable law; provided, however, that Taxes not based upon or measured by net or gross income or specific events shall be apportioned between portions of a taxable period on a pro rata basis in accordance with the number of days in each portion.

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

"Combined Tax Return" means a Tax Return filed in respect of federal, state, local or foreign income Taxes for an Affiliated Group, or any other affiliated, consolidated, combined, unitary, fiscal unity or other group basis (including as permitted by Section 1501 of the Code).

"Contribution" has the meaning set forth in the recitals to this Agreement.

"Disqualifying Action" means (i) any breach by AOUT of any representation, warranty or covenant made by it in this Agreement or (ii) any event (or series of events) involving the capital stock of AOUT that, in either case, would negate the Tax-Free Status of the Transactions; provided, however, the term "Disqualifying Action" shall not include any action required or expressly permitted under any Transaction Document or that is undertaken pursuant to the Contribution or the Distribution.

"Distribution" has the meaning set forth in the recitals to this Agreement.

"Distribution Date" means the date on which the Distribution occurs.

"Effective Time" means the time at which the Distribution becomes effective.

"Employee Matters Agreement" means the Employee Matters Agreement by and between the Parties dated August 21, 2020.

"Final Determination" means the final resolution of liability for any Tax for any taxable period, by or as a result of: (i) a final decision, judgment, decree or other order by any court of competent jurisdiction that can no longer be appealed; (ii) a final settlement with the IRS, a closing agreement or accepted offer in compromise under Section 7121 or 7122 of the Code, or a comparable agreement under the laws of other jurisdictions, that resolves the entire Tax liability for any taxable period; or (iii) any other final resolution, including by reason of the expiration of the applicable statute of limitations or the execution of a pre-filing agreement with the IRS or other Tax Authority.

"Indemnified Party" means the Party that is entitled to seek indemnification from the other Party pursuant to the provisions of Section 2.01.

"Indemnifying Party" means the Party from which the other Party is entitled to seek indemnification pursuant to the provisions of Section 2.01.

"IRS" means the Internal Revenue Service or any successor thereto, including its agents, representatives, and attorneys.

"Outdoor Products and Accessories Business" has the meaning set forth in the Separation Agreement.

"Party" has the meaning set forth in the preamble to this Agreement.

"Person" has the meaning set forth in Section 7701(a)(1) of the Code.

"Post-Distribution Period" means any taxable period (or portion thereof) beginning after the Distribution Date.

"Pre-Distribution Period" means any taxable period (or portion thereof) ending on or before the Distribution Date.

"Separation Agreement" has the meaning set forth in the recitals to this Agreement.

"Separation Taxes" means any income Taxes (other than Transaction Taxes) that arise in connection with the Contribution or the Distribution. For the avoidance of doubt, Separation Taxes shall include, without limitation, any federal, state, or local income Taxes arising out of deferred intercompany gains recognized pursuant to Treasury Regulations Section 1.1502-13.

"SWBI" has the meaning set forth in the preamble to this Agreement.

"SWBI Equity Awards" has the meaning set forth in the Employee Matters Agreement.

"SWBI Group" has the meaning set forth in the Separation Agreement.

"SWBI Separate Tax Return" means any Tax Return that is required to be filed by, or with respect to, a member of the SWBI Group that is not a Combined Tax Return.

"SWBI Tax Representation Letter" means the tax representation letter from SWBI addressed to the Tax Advisor dated July 1, 2020, supporting the Tax Opinion.

"Tax" means (i) all taxes, charges, fees, duties, levies, imposts, or other similar assessments, imposed by any federal, state or local or foreign governmental authority, including income, gross receipts, excise, property, sales, use, license, capital stock, transfer, franchise, payroll, withholding, social security, value added, real property transfer, intangible, recordation, registration, documentary, stamp and other taxes of any kind whatsoever, and (ii) any interest, penalties or additions attributable thereto.

"Tax Advisor" means Greenberg Traurig, LLP.

"Tax Arbiter" has the meaning set forth in Section 5.08.

"Tax Attributes" means net operating losses, capital losses, investment tax credit carryovers, earnings and profits, foreign tax credit carryovers, overall foreign losses, previously taxed income, separate limitation losses, deductions, credits or other comparable items, and assets basis, that could affect a Tax liability for a past or future taxable period.

"Tax Authority" means any governmental authority or any subdivision, agency, commission or entity thereof or any quasi-governmental or private body having jurisdiction over the assessment, determination, collection or imposition of any Tax (including the IRS).

"Tax Detriment" means an increase in the Tax liability (or reduction in refund or credit or item of deduction or expense, including any carryforward) of a taxpayer for any taxable period.

"Tax Matter" has the meaning set forth in Section 4.01.

"Tax Notice" has the meaning set forth in Section 2.07.

"Tax Opinion" has the meaning set forth in the recitals to this Agreement.

"Tax Opinion Documents" means the Tax Opinion and the information and representations provided by, or on behalf of, SWBI or AOUT to the Tax Advisor in connection therewith.

"Tax Return" means any return, report, certificate, form or similar statement or document (including any related or supporting information or schedule attached thereto and any information return, or declaration of estimated Tax) supplied or required to be supplied to, or filed with, a Tax Authority in connection with the payment, determination, assessment or collection of any Tax or the administration of any laws relating to any Tax and any amended Tax return or claim for refund.

"Tax-Free Status of the Transactions" means the qualification of the Contribution and the Distribution as a reorganization within the meaning of Section 368(a)(1)(D) of the Code and a distribution with respect to which gain or loss is not recognized by SWBI, AOUT, or their respective shareholders pursuant to Section 355 of the Code and in which the AOUT Common Stock distributed is "qualified property" under Section 361(c) of the Code.

"Transaction Documents" means this Agreement, the Separation Agreement, the Transition Services Agreement, and the Employee Matters Agreement.

"Transaction Taxes" means any Tax Detriment incurred by SWBI or AOUT as a result of the Contribution or the Distribution failing to qualify as a reorganization within the meaning of Section 368(a)(1)(D) of the Code and a distribution to which Section 355 of the Code applies or corresponding provisions of other applicable laws with respect to Taxes.

"Transition Services Agreement" means the Transition Services Agreement by and between the Parties dated August 21, 2020.

"Transfer Taxes" means all sales, use, transfer, real property transfer, intangible, recordation, registration, documentary, stamp or similar Taxes imposed on the Contribution or the Distribution.

"Treasury Regulations" means the final and temporary (but not proposed) income Tax regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

Section 1.02. Additional Definitions. Capitalized terms used but not defined in this Agreement have the meaning ascribed to them in the Separation Agreement.

ARTICLE II
ALLOCATION, PAYMENT AND INDEMNIFICATION

Section 2.01. Responsibility for Taxes; Indemnification.

(a) SWBI shall be responsible for and shall pay, and shall indemnify and hold harmless AOUT for, all Tax liabilities (and any loss, cost, damage or expense, including reasonable attorneys' fees and costs, incurred in connection therewith) attributable to: (i) any Taxes reported or required to be reported on (A) an SWBI Separate Tax Return, or (B) a Combined Tax Return that any member of the SWBI Group files or is required to file; (ii) any Transaction Taxes; and (iii) fifty percent (50%) of all Transfer Taxes; in each case, other than Taxes for which AOUT is responsible for under Section 2.01(b).

(b) AOUT shall be responsible for and shall pay, and shall indemnify and hold harmless SWBI for, all Tax liabilities (and any loss, cost, damage or expense, including reasonable attorneys' fees and costs, incurred in connection therewith) attributable to: (i) any Taxes reported or required to be reported on (A) an AOUT Separate Tax Return, or (B) a Combined Tax Return that any member of the AOUT Group files or is required to file; (ii) any Taxes reported or required to be reported on any Combined Tax Return that any member of the SWBI Group files or is required to file to the extent such Taxes are attributable to the Outdoor Products and Accessories Business, as determined pursuant to Section 2.02; (iii) any Taxes that arise from or are attributable to a Disqualifying Action; (iv) fifty percent (50%) of all Transfer Taxes; and (v) any Separation Taxes.

(c) If the Indemnifying Party is required to indemnify the Indemnified Party pursuant to this Section 2.01, the Indemnified Party shall submit its calculations of the amount required to be paid pursuant to this Section 2.01, showing such calculations in sufficient detail so as to permit the Indemnifying Party to understand the calculations. Subject to the following sentence, the Indemnifying Party shall pay to the Indemnified Party, no later than twenty (20) days after the Indemnifying Party receives the Indemnified Party's calculations, the amount that the Indemnifying Party is required to pay the Indemnified Party under this Section 2.01. If the Indemnifying Party disagrees with such calculations, it must notify the Indemnified Party of its disagreement in writing within fifteen (15) days of receiving such calculations.

(d) For all Tax purposes, SWBI and AOUT agree to treat (i) any payment required by this Agreement (other than payments with respect to interest accruing after the Effective Time) as either a contribution by SWBI to AOUT or a distribution by AOUT to SWBI as the case may be, occurring immediately prior to the Effective Time, and (ii) any payment of interest or non-federal Taxes by or to a Tax Authority as taxable or deductible, as the case may be, to the party entitled under this Agreement to retain such payment or required under this Agreement to make such payment, in either case except as otherwise mandated by applicable law.

(e) The amount of any indemnification payment pursuant to this Section 2.01 shall be reduced by the amount of any reduction in Taxes actually realized by the Indemnified Party by the end of the taxable year in which the indemnity payment is made, and shall be increased if and to the extent necessary to ensure that, after all required Taxes on the indemnity payment are paid (including Taxes applicable to any increases in the indemnity payment under this Section 2.01(e)), the Indemnified Party receives the amount it would have received if the indemnity payment was not taxable.

(f) The determination of the Tax liabilities of SWBI and AOUT, respectively, shall be made in a manner consistent with the Employee Matters Agreement and the Separation Agreement.

Section 2.02. Determination of Taxes Attributable to the Outdoor Products and Accessories Business.

(a) For purposes of Section 2.01(b)(ii), the amount of Taxes attributable to the Outdoor Products and Accessories Business shall be determined by SWBI on a pro forma Combined Tax Return of the AOUT Group prepared: (i) assuming that the members of the AOUT Group were not included in the group that filed the relevant Combined Tax Return; (ii) including only Tax items of members of the AOUT Group that were included in the relevant Combined Tax Return; (iii) using all elections, accounting methods and conventions used on the relevant Combined Tax Return for such period; (iv) applying the highest statutory marginal corporate income Tax rate in effect for the relevant taxable period; (v) assuming that the AOUT Group elects not to carry back any net operating losses; and (vi) assuming that the AOUT Group's utilization of any Tax Attribute carryforward or carryback is limited to the Tax Attributes of the AOUT Group that would be available if the Tax liability of the AOUT Group for each prior taxable year were determined in accordance with this Section 2.02.

(b) The Parties shall cooperate in good faith in order to jointly determine the allocation of items of income and expense and intercompany eliminations for purposes of preparing the pro forma Combined Tax Return of the AOUT Group pursuant to Section 2.02(a).

Section 2.03. Preparation of Tax Returns.

(a) SWBI's Responsibility. SWBI shall prepare and timely file (taking into account applicable extensions) all (i) Combined Tax Returns that any member of the SWBI Group is required to file or elects to file, and (ii) SWBI Separate Tax Returns. To the extent that such a Combined Tax Return reflects operations of the AOUT Group for a taxable period that includes the Distribution Date, SWBI shall include in such Combined Tax Return the results of such member of the AOUT Group on the basis of the Closing of the Books Method to the extent permitted by applicable law.

(b) AOUT's Responsibility. Subject to any arrangement under the Transaction Documents, AOUT shall prepare and timely file (taking into account applicable extensions) all Tax Returns required to be filed by or with respect to any member of the AOUT Group other than those Tax Returns that SWBI is required to prepare and file under Section 2.03(a).

Section 2.04. Payment of Sales, Use or Similar Taxes. Transfer Taxes shall be borne fifty percent (50%) by SWBI and fifty percent (50%) by AOUT. Notwithstanding anything in this Section 2.04 to the contrary, the Party required by applicable law shall remit payment for any Transfer Taxes and duly and timely file any related Tax Returns, subject to any indemnification rights it may have against the other Party, which shall be paid in accordance with Section 2.01(c). The Parties shall cooperate in: (i) determining the amount of such Taxes; (ii) providing all available exemption certificates; and (iii) preparing and timely filing any and all required Tax Returns for or with respect to such Taxes with any and all appropriate Tax Authorities.

Section 2.05. Treatment of Equity Awards.

(a) To the extent permitted by law, income Tax deductions with respect to the issuance, exercise, vesting or settlement after the Distribution Date of any SWBI Equity Awards or AOUT Equity Awards shall be claimed: (i) in the case of an active officer or employee, solely by the Group that employs such officer or employee at the time of such issuance, exercise, vesting, or settlement, as applicable; (ii) in the case of a former officer or employee, solely by the Group that was the last to employ such former officer or employee; and (iii) in the case of a director or former director (who is not an officer or employee or former officer or employee of a member of either Group), (A) solely by the SWBI Group if such person was, at any time before or after the Distribution, a director of any member of the SWBI Group, and (B) in any other case, solely by the AOUT Group.

(b) If, notwithstanding clause (a), the AOUT Group actually utilizes any deductions for a taxable period ending after the Distribution Date with respect to (i) the issuance, exercise, vesting or settlement after the Distribution Date of any SWBI Equity Awards, or (ii) any liability with respect to compensation required to be paid or satisfied by, or otherwise allocated to, any member of the SWBI Group in accordance with any Transaction Document, AOUT shall promptly remit an amount equal to the overall net reduction in actual cash Taxes paid by the AOUT Group (determined on a "with and without" basis) resulting from the event giving rise to such deduction in the year of such event. If a Tax Authority subsequently reduces or disallows the use of such a deduction by the AOUT Group, SWBI shall return an amount equal to the overall net increase in Tax liability of the AOUT Group owing to the Tax Authority to the remitting party.

(c) For any taxable period (or portion thereof), except as SWBI may at any time determine in its reasonable discretion, SWBI shall satisfy, or shall cause to be satisfied, all applicable withholding and reporting responsibilities (including all income, payroll or other Tax reporting related to income to any current or former employees) with respect to the issuance, exercise, vesting or settlement of SWBI Equity Awards that settle with or with respect to stock of SWBI. For any taxable period (or portion thereof), AOUT shall satisfy, or shall cause to be satisfied, all applicable withholding and reporting responsibilities (including all income, payroll or other Tax reporting related to income to any current or former employees) with respect to the exercise, vesting or settlement of AOUT Equity Awards that settle with or with respect to stock of AOUT. SWBI and AOUT acknowledge and agree that the Parties shall cooperate with each other and with third-party providers to effectuate withholding and remittance of Taxes, as well as required Tax reporting, in a timely manner.

Section 2.06. Tax Refunds. SWBI shall be entitled to any refund (and any interest thereon received from the applicable Tax Authority) of Taxes for which SWBI is responsible for hereunder, AOUT shall be entitled to any refund (and any interest thereon received from the applicable Tax Authority) of Taxes for which AOUT is responsible for hereunder, and a Party receiving a refund to which the other Party is entitled hereunder shall pay over such refund to such other Party within twenty (20) days after such refund is received.

Section 2.07. Audits and Proceedings.

(a) Notwithstanding any other provision hereof, if after the Distribution Date, an Indemnified Party receives any notice, letter, correspondence, claim or decree from any Tax Authority (a "Tax Notice") and, upon receipt of such Tax Notice, believes it has suffered or potentially could suffer any Tax liability for which it is indemnified pursuant to Section 2.01, the Indemnified Party shall deliver such Tax Notice to the Indemnifying Party within ten (10) days of the receipt of such Tax Notice; provided, however, that the failure of the Indemnified Party to provide the Tax Notice to the Indemnifying Party shall not affect the indemnification rights of the Indemnified Party pursuant to Section 2.01, except to the extent that the Indemnifying Party is prejudiced by the Indemnified Party's failure to deliver such Tax Notice. The Indemnifying Party shall have the right to handle, defend, conduct and control, at its own expense, any Tax audit or other proceeding that relates to such Tax Notice; provided that, in all events, SWBI shall have the right to control any Tax audit or proceeding relating to Transaction Taxes or the Tax-Free Status of the Transactions. The Indemnifying Party shall also have the right to compromise or settle any such Tax audit or other proceeding that it has the authority to control pursuant to the preceding sentence subject, in the case of a compromise or settlement that could adversely affect the Indemnified Party, to the Indemnified Party's consent, which consent shall not be unreasonably withheld. If the Indemnifying Party fails within a reasonable time after notice to defend any such Tax

Notice or the resulting audit or proceeding as provided herein, the Indemnifying Party shall be bound by the results obtained by the Indemnified Party in connection therewith. The Indemnifying Party shall pay to the Indemnified Party the amount of any Tax liability within fifteen (15) days after a Final Determination of such Tax liability.

(b) If after the Distribution Date, SWBI or AOUT receive a Tax Notice that could have an impact on the other Party, SWBI or AOUT, as applicable, shall deliver such Tax Notice to the other Party within ten (10) days of the receipt of such Tax Notice.

Section 2.08. Carryforwards and Carrybacks.

(a) SWBI shall notify AOUT after the Distribution Date of any consolidated carryover item which may be partially or totally attributed to and carried over by AOUT or a member of its Affiliated Group and will notify AOUT of subsequent adjustments which may affect such carryover item.

(b) To the extent permitted by applicable law, AOUT shall not carry back any federal income Tax item to any Pre-Distribution Period.

Section 2.09. Tax Attributes. Tax Attributes arising in a Pre-Distribution Period shall be allocated to the SWBI Group and the AOUT Group in accordance with the Code and Treasury Regulations. The Parties shall jointly determine the allocation of such Tax Attributes arising in Pre-Distribution Periods as soon as reasonably practicable following the Distribution Date, and hereby agree to compute all Taxes for Post-Distribution Periods consistently with that determination unless otherwise required by a Final Determination.

Section 2.10. Section 336(e) Election.

(a) Pursuant to Treasury Regulations Section 1.336-2(h) and (j), SWBI and AOUT agree that SWBI may make a timely protective election under Section 336(e) of the Code and the Treasury Regulations issued thereunder with respect to the Distribution for each member of the AOUT Group that is a domestic corporation for federal income Tax purposes.

(b) In the event that an election contemplated in Section 2.10(a) is made and becomes effective, then the Parties shall share in any Tax benefit derived as a result of such election in accordance with the Parties' relative responsibility for such Taxes under this Article II, and payments shall be made between the Parties, if necessary.

(c) The Parties shall cooperate in good faith in order to determine whether to make any elections contemplated in Section 2.10(a) and in the timely completion of such elections, if any.

ARTICLE III
TAX-FREE STATUS OF THE TRANSACTIONS

Section 3.01. Representations and Warranties.

(a) AOUT. AOUT hereby represents and warrants or covenants and agrees, as appropriate, that the facts presented and the representations made in the AOUT Tax Representation Letter are, or will be from the time presented or made through and including the Effective Time and thereafter, true, correct and complete in all respects.

(b) SWBI. SWBI hereby represents and warrants or covenants and agrees, as appropriate, that the facts presented and the representations made in the SWBI Tax Representation Letter and any other materials (including the Revenue Procedure 96-30 checklist) delivered or deliverable by SWBI in connection with the rendering by the Tax Advisor of the Tax Opinion are, or will be from the time presented or made through and including the Effective Time and thereafter, true, correct and complete in all respects.

(c) No Contrary Knowledge. Each of SWBI and AOUT represents and warrants that it knows of no fact that may cause the Tax treatment of the Contribution or the Distribution to be other than the Tax-Free Status of the Transactions.

Section 3.02. Covenants.

(a) Preservation of Tax-Free Status. Neither SWBI nor AOUT shall take or fail to take any action within its control that would negate the Tax-Free Status of the Transactions.

(b) Tax Reporting. Each of SWBI and AOUT covenants and agrees that it will not take any position on any Tax Return that is inconsistent with the Tax-Free Status of the Transactions.

(c) Actions Consistent with Representations and Covenants. Neither SWBI nor AOUT shall take any action, or to fail to take any action, which action or failure would be inconsistent with or cause to be untrue any material information, covenant, or representation in this Agreement, the Separation Agreement, or the Tax Opinion Documents.

(d) Plan or Series of Related Transactions. For a period of two (2) years from the Distribution Date, none of AOUT, its affiliates, or any of their respective officers, directors or authorized agents will enter into any agreement, understanding or arrangement or any substantial negotiations with respect to any transaction or series of transactions, including any issuance or transfer of an option (within the meaning of Section 355(e) of the Code), that is for purposes of Section 355(e) of the Code and the Treasury Regulations thereunder (including, for purposes of this Section 3.02(d), any proposed income tax regulations to the extent no final or temporary income tax regulations have been issued that supersede such proposed regulations), part of a plan or series of related transactions with the Distribution pursuant to which one or more Persons acquire, directly or indirectly, stock possessing fifty percent (50%) or more of the total combined voting power or value of all classes of stock of AOUT.

(e) During the two-year period following the Distribution Date:

(i) AOUT shall (A) maintain its status as a company engaged in an active trade or business for purposes of Section 355(b)(2) of the Code, and (B) not engage in any transaction that would result in it ceasing to be a company engaged in an active trade or business for purposes of Section 355(b)(2) of the Code.

(ii) AOUT shall not, and shall not agree to, liquidate or merge, consolidate, or amalgamate with any other Person.

(iii) AOUT shall not sell or otherwise dispose of, or allow the sale or other disposition of, more than 30% of the consolidated gross assets of the AOUT Group or more than 30% of the gross assets of the Outdoor Products and Accessories Business, in each case measured based on fair market values as of the Distribution Date.

(iv) AOUT shall not purchase any of its outstanding stock, other than through stock purchases meeting the requirements of Section 4.05(1)(b) of IRS Revenue Procedure 96-30 (as in effect prior to the amendment of such Revenue Procedure by IRS Revenue Procedure 2003-48).

(v) AOUT shall not amend its certificate of incorporation (or other organizational documents), or take any other action, affecting the voting rights of the equity interests of AOUT.

(f) Notwithstanding the provisions of Section 3.02(d) and Section 3.02(e), AOUT and the other members of the AOUT Group may take any action that would reasonably be expected to be inconsistent with the covenants contained in Section 3.02(d) or Section 3.02(e) if either: (i) AOUT notifies SWBI of its proposal to take such action and AOUT and SWBI obtain a ruling from the IRS to the effect that such action will not affect the Tax-Free Status of the Transactions, provided that AOUT agrees in writing to bear any expenses associated with obtaining such a ruling and, provided further that AOUT shall not be relieved of any liability under Section 2.01 of this Agreement by reason of seeking or having obtained such a ruling; or (ii) AOUT notifies SWBI of its proposal to take such action and obtains, at its own expense, an unqualified opinion of counsel (A) from a Tax advisor recognized as an expert in federal income Tax matters and acceptable to SWBI in its sole discretion, (B) on which SWBI may rely, and (C) to the effect that such action "will" not affect the Tax-Free Status of the Transactions, provided that AOUT shall not be relieved of any liability under Section 2.01 of this Agreement by reason of having obtained such an opinion.

ARTICLE IV
COOPERATION

Section 4.01. General Cooperation. The Parties shall each cooperate fully with all reasonable requests in writing from the other Party, or from an agent, representative or advisor to such Party, in connection with the preparation and filing of Tax Returns, claims for Tax refunds, Tax proceedings, and calculations of amounts required to be paid pursuant to this Agreement, in each case, related or attributable to or arising in connection with Taxes of any of the Parties covered by this Agreement and the establishment of any reserve required in connection with any financial reporting (a "Tax Matter"). Such cooperation shall include the provision of any information reasonably necessary or helpful in connection with a Tax Matter and shall include, at each Party's own cost:

(a) the provision of any Tax Returns of the Parties, books, records (including information regarding ownership and Tax basis of property), documentation and other information relating to such Tax Returns, including accompanying schedules, related work papers, and documents relating to rulings or other determinations by Tax Authorities;

(b) the execution of any document (including any power of attorney) in connection with any Tax proceedings of any of the Parties, or the filing of a Tax Return or a Tax refund claim of the Parties;

(c) the use of the Party's reasonable best efforts to obtain any documentation in connection with a Tax Matter; and

(d) the use of the Party's reasonable best efforts to obtain any Tax Returns (including accompanying schedules, related work papers, and documents), documents, books, records or other information in connection with the filing of any Tax Returns of any of the Parties.

Each Party shall make its employees, advisors, and facilities available, without charge, on a reasonable and mutually convenient basis in connection with the foregoing matters.

Section 4.02. Retention of Records. SWBI and AOUT shall retain or cause to be retained all Tax Returns, schedules and workpapers, and all material records or other documents relating thereto in their possession, until sixty (60) days after the expiration of the applicable statute of limitations (including any waivers or extensions thereof) of the taxable periods to which such Tax Returns and other documents relate or until the expiration of any additional period that any Party reasonably requests, in writing, with respect to specific material records or documents. A Party intending to destroy any material records or documents required to be retained pursuant to this Section 4.02 shall provide the other Party with reasonable advance notice and the opportunity to copy or take possession of such records and documents. The Parties hereto will notify each other in writing of any waivers or extensions of the applicable statute of limitations that may affect the period for which the foregoing records or other documents must be retained.

ARTICLE V
MISCELLANEOUS

Section 5.01. Tax Sharing Agreements. All Tax sharing, indemnification and similar agreements, written or unwritten, as between SWBI, on the one hand, and AOUT, on the other (other than this Agreement and any other Transaction Document), shall be or shall have been terminated no later than the Effective Time and, after the Effective Time, neither SWBI nor AOUT shall have any further rights or obligations under any such Tax sharing, indemnification or similar agreement.

Section 5.02. Interest on Late Payments. With respect to any payment between the Parties pursuant to this Agreement not made by the due date set forth in this Agreement for such payment, the outstanding amount will accrue interest at a rate per annum equal to the rate in effect for underpayments under Section 6621 of the Code from such due date to and including the payment date.

Section 5.03. Survival of Covenants. Except as otherwise contemplated by this Agreement, all covenants and agreements of the Parties contained in this Agreement shall survive the Effective Time and remain in full force and effect in accordance with their applicable terms; provided, however, that the representations and warranties and all indemnification for Taxes shall survive until sixty (60) days following the expiration of the applicable statute of limitations (taking into account all extensions thereof), if any, of the Tax that gave rise to the indemnification; provided, further, that, in the event that notice for indemnification has been given within the applicable survival period, such indemnification shall survive until such time as such claim is finally resolved.

Section 5.04. Termination. Notwithstanding any provision to the contrary, this Agreement may be terminated and the Distribution abandoned at any time prior to the Effective Time by and in the sole discretion of SWBI without the prior approval of any Person, including AOUT. In the event of such termination, this Agreement shall become void and no party, or any of its officers and directors, shall have any liability to any Person by reason of this Agreement. After the Effective Time, this Agreement may not be terminated except by an agreement in writing signed by each of the Parties to this Agreement.

Section 5.05. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any law or as a matter of public policy, all other conditions and provisions of this Agreement shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties to this Agreement shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

Section 5.06. Entire Agreement. Except as otherwise expressly provided in this Agreement, this Agreement constitutes the entire agreement of the Parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements and undertakings, both written and oral, between or on behalf of the Parties hereto with respect to the subject matter of this Agreement.

Section 5.07. Effective Date. This Agreement shall become effective only upon the occurrence of the Distribution.

Section 5.08. Dispute Resolution. In the event of any dispute relating to this Agreement, the Parties shall work together in good faith to resolve such dispute within thirty (30) days. In the event that such dispute is not resolved, upon written notice by a Party after such thirty (30)-day period, the matter shall be referred to a Tax counsel or other Tax advisor of recognized national standing (the "Tax Arbiter") that will be jointly chosen by SWBI and AOUT. The Tax Arbiter may, in its discretion, obtain the services of any third party necessary to assist it in resolving the dispute. The Tax Arbiter shall furnish written notice to the parties to the dispute of its resolution of the dispute as soon as practicable, but in any event no later than ninety (90) days after acceptance of the matter for resolution. Any such resolution by the Tax Arbiter shall be binding on the Parties, and the Parties shall take, or cause to be taken, any action necessary to implement such resolution. All fees and expenses of the Tax Arbiter shall be shared equally by the Parties.

Section 5.09. Other. Sections 1.2 (Interpretation), 6.1 (Notices), 6.2 (Amendments; No Waivers), 6.4 (Successors and Assigns) 6.5 (Governing Law), 6.6 (Counterparts; Effectiveness; Third-Party Beneficiaries), 6.9 (Jurisdiction), 6.10 (Waiver of Jury Trial), 6.14 (Captions), 6.15 (Interpretation), 6.16 (Specific Performance), and 6.17 (Performance) of the Separation Agreement are incorporated herein by reference, mutatis mutandis.

[Signature Page Follows]

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

SMITH & WESSON BRANDS, INC.

By: */s/ Mark P. Smith*
Name: Mark P. Smith
Title: President and Chief Executive Officer

AMERICAN OUTDOOR BRANDS, INC.

By: */s/ Brian D. Murphy*
Name: Brian D. Murphy
Title: President and Chief Executive Officer

Signature Page to Tax Matters Agreement

Exhibit 10.123

EMPLOYEE MATTERS AGREEMENT

by and between

SMITH & WESSON BRANDS, INC.

and

AMERICAN OUTDOOR BRANDS, INC.

Dated as of August 21, 2020

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EMPLOYEE MATTERS AGREEMENT

THIS EMPLOYEE MATTERS AGREEMENT (this "Agreement") is made and entered into as of August 21, 2020, by and between Smith & Wesson Brands, Inc., a Nevada corporation ("SWBI"), and American Outdoor Brands, Inc., a Delaware corporation ("AOUT" and with SWBI each, individually, a "Party," and, collectively, the "Parties"). Capitalized terms used in this Agreement, but not defined, shall have the meanings ascribed to them in the Separation and Distribution Agreement, dated as of August 21, 2020, by and between SWBI and AOUT (as amended from time to time, the "Separation and Distribution Agreement").

RECITALS

WHEREAS, pursuant to the Separation and Distribution Agreement, SWBI shall be separated into two separate, publicly traded companies, one for each of (i) the Firearm Business (as defined in the Separation and Distribution Agreement), which shall be owned and conducted, directly or indirectly, by SWBI, and (ii) the Outdoor Products and Accessories Business (as defined in the Separation and Distribution Agreement), which shall be owned and conducted, directly or indirectly, by AOUT; and

WHEREAS, each of SWBI and AOUT has determined that it is necessary and desirable to enter into this Agreement in order to allocate, assign, or transfer, as applicable, to the appropriate Party, assets, responsibilities, liabilities, and obligations with respect to employee compensation, benefits, labor, and certain other employment matters associated with personnel of the Outdoor Products and Accessories Business and the Firearm Business, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing, the mutual agreements, provisions, and covenants contained in this Agreement, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, AOUT and SWBI hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the meanings indicated below:

"Adjusted SWBI Option" has the meaning set forth in Section 3.2(b).

"Adjusted SWBI PSU" has the meaning set forth in Section 3.4.

"Adjusted SWBI RSU" has the meaning set forth in Section 3.3(a).

"Affiliate" has the same meaning as set forth in the Separation and Distribution Agreement. For the avoidance of doubt, on and after the Distribution Time, no member of the SWBI Group shall be deemed to be an Affiliate of any member of the AOUT Group and no member of the AOUT Group shall be deemed to be an Affiliate of any member of the SWBI Group.

"Agreement" has the meaning set forth in the preamble to this Agreement.

"AOUT" has the meaning set forth in the preamble to this Agreement.

"AOUT 401(k) Plan" has the meaning set forth in Section 2.8(a).

"AOUT 401(k) Plan Effective Date" has the meaning set forth in Section 2.8(a).

"AOUT Employee" means each Employee who performs services exclusively for and is allocated to the Outdoor Products and Accessories Business and is either (a) employed by a member of the AOUT Group as of the Distribution Time, or (b) who is transferred to a member of the AOUT Group pursuant to Section 2.1 or Section 2.2 after the Distribution Time.

"AOUT Equity Awards" means those awards granted under the AOUT Equity and Incentive Plan in accordance with the provisions in Article 3 hereof.

"AOUT Equity and Incentive Plan" means the American Outdoor Brands, Inc. 2020 Incentive Stock Plan, as amended from time to time.

"AOUT Former Employee" means (i) prior to the Distribution Time, any individual who, performed services exclusively for and was allocated to the Outdoor Products and Accessories Business but prior to the Distribution Time retired or otherwise separated from service with SWBI and its Subsidiaries and Affiliates, and (ii) on or after the Distribution Time, any AOUT Employee that ceases performing services for the AOUT Group for any reason (other than on account of approved leaves of absences).

"AOUT Group" means (a) prior to the Distribution Time, AOUT and each Person that will be a Subsidiary or Affiliate of AOUT immediately after the Distribution Time; and (b) on and after the Distribution Time, AOUT and each Person that is a Subsidiary or Affiliate of AOUT.

"AOUT Group Welfare Plans" has the meaning set forth in Section 2.9(a).

"AOUT Option" has the meaning set forth in Section 3.2(b).

"AOUT Participant" means an AOUT Employee, an AOUT Former Employee, and any eligible dependent or beneficiary thereof who participates or is eligible to participate in any AOUT Plan.

"AOUT Plan" means each Plan that is sponsored, maintained, or contributed to or required to be contributed to by any member of the AOUT Group that does not also cover any SWBI Employee, including, without limitation, the AOUT Equity and Incentive Plan, the AOUT 401(k) Plan and the AOUT Group Welfare Plans.

"AOUT Post-Distribution Share Value" means the average of the closing share price of the common stock of AOUT on Nasdaq for the five (5) trading days immediately following the Distribution Time.

"AOUT PSU" has the meaning set forth in Section 3.4.

"AOUT Ratio" means the quotient obtained by dividing the AOUT Post-Distribution Share Value by the SWBI Pre-Distribution Share Value.

"AOUT RSU" has the meaning set forth in Section 3.3(a).

"Applicable Law" has the meaning set forth in the Separation and Distribution Agreement.

"COBRA" means the U.S. Consolidated Omnibus Budget Reconciliation Act of 1985, as codified at Section 601 et seq. of ERISA and at Section 4980B of the Code.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Code Section 409A" means Section 409A of the Code and the regulations and guidance promulgated thereunder.

"Deferred RSU" means each outstanding SWBI RSU that is subject to an election by the holder to defer receipt of the shares of common stock of SWBI upon settlement of such SWBI RSU until separation from service with the SWBI Group, determined immediately prior to the Distribution Date.

"Designated Executive" has the meaning set forth in Section 3.3(a).

"Distribution" has the meaning set forth in the Separation and Distribution Agreement.

"Distribution Date" has the meaning set forth in the Separation and Distribution Agreement.

"Distribution Ratio" means one share of AOUT common stock for every four shares of SWBI common stock.

"Distribution Time" has the meaning set forth in the Separation and Distribution Agreement.

"Employee" means any individual who is an employee of SWBI or any of its Subsidiaries and Affiliates (including, for the avoidance of doubt, AOUT and its Subsidiaries) immediately before the Distribution Time, including active employees and employees on vacation and approved leave of absence (including maternity, paternity, family, sick, short-term or long-term disability leave, qualified military service under the Uniformed Services Employment and Reemployment Rights Act of 1994, leave under the Family Medical Leave Act, and other approved leaves).

"Employee Record" has the meaning set forth in Section 4.4.

"Employment Claim" means any actual or threatened action, lawsuit, charge, complaint, audit, inquiry, investigation, grievance, arbitration, claim (including ERISA claims), or federal, state, or local judicial or administrative proceeding of whatever kind involving a demand by, on behalf of, or relating to an Employee, Former Employee, or current or former independent contractor, or by or relating to any federal, state, or local Governmental Authority alleging Liability against a Party or against a Party's pension, welfare, or other benefit plan, or such plan's administrator, trustee, or fiduciary.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, or any successor legislation.

"Firearm Business" has the meaning set forth in the Separation and Distribution Agreement.

"Former Employee" means any individual who was employed by SWBI or any of its Subsidiaries (including, for the avoidance of doubt, AOUT and its Subsidiaries) at any time prior to the Distribution Time but who is not an Employee on or after such Distribution Time.

"IRS" means the Internal Revenue Service.

"Liabilities" has the meaning set forth in the Separation and Distribution Agreement.

"Monheit RSU" has the meaning set forth in Section 3.3(c).

"New Employer RSU" has the meaning set forth in Section 3.3(b).

"Other Employee" has the meaning set forth in Section 3.3(b).

"Outdoor Products and Accessories Business" has the meaning set forth in the Separation and Distribution Agreement.

"Party" and "Parties" have the meanings set forth in the preamble to this Agreement.

"Plan" means, with respect to any entity, each plan, program, policy, arrangement, contract or agreement that is maintained primarily for the benefit of employees (and their dependents and beneficiaries) providing employee benefits, including, without limitation, employee benefit plans as defined in Section 3(3) of ERISA, executive compensation, bonuses, equity and/or equity based compensation, profit sharing, savings, retirement, severance pay, salary continuation, medical, dental, vision, life, disability, sick leave, vacation pay, and other fringe benefits, whether formal or informal or written or unwritten, which is sponsored, maintained, or contributed by such entity or to which such entity is a party or under which such entity has any obligation. Notwithstanding the foregoing, the term "Plan" as used in this Agreement does not include (i) the SWBI Equity and Incentive Plan; (ii) any SWBI Equity Award; (iii) the AOUT Equity and Incentive Plan; (iv) any AOUT Equity Award; (v) any employment agreements; and (vi) any contract, agreement, or understanding relating to settlement of actual or potential employment claims.

"PTO" has the meaning set forth in Section 2.11.

"Record Date" has the meaning set forth in the Separation and Distribution Agreement.

"Scott RSU" has the meaning set forth in Section 3.3(c).

"SWBI" has the meaning set forth in the preamble to this Agreement.

"SWBI 401(k) Plan" has the meaning set forth in Section 2.8(a).

"SWBI Board" means the Board of Directors of SWBI or a duly authorized committee thereof.

"SWBI Employee" means each Employee who performs services exclusively for and is allocated to the Firearm Business and who is either (a) employed by a member of the SWBI Group as of the Distribution Time or (b) who is transferred to a member of the SWBI Group after the Distribution Time pursuant to Section 2.2 after the Distribution Time.

"SWBI Equity and Incentive Plan" means the Smith & Wesson Brands, Inc. 2013 Incentive Stock Plan, as amended from time to time.

"SWBI Equity Awards" means the SWBI Restricted Stock, the SWBI RUSs and the SWBI Options.

"SWBI Former Employee" means (i) prior to the Distribution Time, any individual who, performed services exclusively for and was allocated to the Firearm Business but prior to the Distribution Time retired or otherwise separated from service with SWBI and its Subsidiaries and Affiliates, and (ii) on or after the Distribution Time, any SWBI Employee that ceases performing services for the SWBI Group for any reason (other than on account of approved leaves of absences).

"SWBI Group" means SWBI and each Person that is a direct or indirect Subsidiary or Affiliate of SWBI (other than any member of the AOUT Group).

"SWBI Group Welfare Plans" means the SWBI Plans providing medical, dental, vision, health care spending accounts, disability, life, and similar welfare benefits and is an "employee welfare benefit plan" as described in Section 3(1) of ERISA.

"SWBI Option" means each outstanding option to purchase shares of the common stock of SWBI, whether vested or unvested, granted under the SWBI Equity and Incentive Plan, determined immediately prior to the Distribution Time.

"SWBI Participant" means a SWBI Employee, a SWBI Former Employee, and any eligible dependent or beneficiary thereof who participates or is eligible to participate in a SWBI Plan.

"SWBI Plan" means each Plan that is sponsored, maintained, contributed to, or required to be contributed to by any member of the SWBI Group, including, without limitation, the SWBI Equity and Incentive Plan, the SWBI 401(k) Plan, and the SWBI Group Welfare Plans, but not including any AOUT Plan.

"SWBI Post-Distribution Share Value" means the average of the closing share price of the common stock of SWBI on Nasdaq for the five (5) trading days immediately following the Distribution Time.

"SWBI Pre-Distribution Share Value" means the average of the closing share price of the common stock of SWBI on Nasdaq on the last five (5) trading days immediately preceding the Distribution Time.

"SWBI PSUs" means each outstanding performance-based restricted stock unit award with respect to the shares of the common stock of SWBI, whether vested or unvested, granted under the SWBI Equity and Incentive Plan, determined immediately prior to the Distribution Time.

"SWBI Ratio" means the quotient obtained by dividing the SWBI Post-Distribution Share Value by the SWBI Pre-Distribution Share Value.

"SWBI RSU" means each outstanding restricted stock unit award with respect to the shares of the common stock of SWBI, whether vested or unvested, granted under the SWBI Equity and Incentive Plan, determined immediately prior to the Distribution Time.

"Separation and Distribution Agreement" has the meaning set forth in the preamble to this Agreement.

"Tax" or "Taxes" has the meaning set forth in the Tax Matters Agreement.

"Tax Matters Agreement" means the Tax Matters Agreement, dated as of the date hereof between SWBI and AOUT, as such agreement may be amended, amended and restated, supplemented, or modified from time to time. "WARN Act" has the meaning set forth in Section 4.5.

"Wadecki RSU" has the meaning set forth in Section 3.3(c).

"Workers Compensation Event" means the event, injury, illness, or condition giving rise to a workers' compensation claim.

Section 1.2 Certain Constructions. References to the singular in this Agreement shall refer to the plural and vice-versa, and references to the masculine shall refer to the feminine and vice-versa.

Section 1.3 Sections. References to a "Section" are, unless otherwise specified, to one of the Sections of this Agreement.

Section 1.4 Distribution Time. This Agreement shall be effective as of the Distribution Time.

ARTICLE 2
ALLOCATION OF EMPLOYEES AND LIABILITIES; EMPLOYEE BENEFITS

Section 2.1 Transfer of Employment of Certain AOUT Employees. SWBI and AOUT will cause the employment of each AOUT Employee who is not employed by a AOUT Group member as of the date hereof to be transferred to an AOUT Group member prior to the Distribution Time.

Section 2.2 Re-Allocation of Employees. If the Parties mutually agree after the Distribution Time that an Employee or individual independent contractor was incorrectly allocated to the SWBI Group or the AOUT Group (or was incorrectly employed or engaged by a member of the SWBI Group or the AOUT Group as of the Distribution Time), the Parties shall use their reasonable best efforts to correct such misallocation as appropriate (including by transferring the employment or engagement opportunity of such AOUT Employee or SWBI Employee (as applicable) or individual independent contractor to the applicable member of the applicable group or by offering employment or an engagement opportunity to such AOUT Employee, SWBI Employee, or individual independent contractor), and, to the extent possible, such correction shall be effective as of the Distribution Time.

Section 2.3 Employee Liabilities Generally.

(a) From and after the Distribution Time, SWBI or a member of the SWBI Group hereby assumes or retains, and shall be responsible for paying, performing, fulfilling, and discharging in accordance with their respective terms, (i) all Liabilities or obligations expressly assigned to or assumed by a member of the SWBI Group under this Agreement; and (ii) except as otherwise expressly provided for herein or in the Separation and Distribution Agreement, all Liabilities with respect to the employment (including the termination thereof), compensation, and employee benefits of all (x) SWBI Employees, (y) SWBI Former Employees, and (z) all independent contractors, temporary employees, consultants, freelancers, agency employees, leased employees, or other non-payroll workers allocated to the Firearm Business, in each case, and their respective dependents and beneficiaries (and any alternate payees in respect thereof), whenever incurred. Such Liabilities are assumed or retained regardless of when such Liabilities arose or arise, or whether the facts on which they are based occurred prior to or subsequent to the Distribution Time, regardless of where or against whom such Liabilities are asserted or determined and include, without limitation, (1) wages, salaries, incentive compensation, commissions, and bonuses, (2) any and all Liabilities with respect to Employment Claims made by or with respect to SWBI Employees or SWBI Former Employees or in connection with any SWBI Plan, and (3) all service-related Liabilities to any individual who is or was an independent contractor, temporary employee, consultant, freelancer, agency employee, leased employee, or other non-payroll worker connected to the Firearm Business. All Liabilities assumed or retained by a member of the SWBI Group under this Section 2.3(a) shall be "SWBI Liabilities" for purposes of the Separation and Distribution Agreement.

(b) From and after the Distribution Time, AOUT or a member of the AOUT Group hereby assumes or retains, and shall be responsible for paying, performing, fulfilling, and discharging in accordance with their respective terms, (i) all Liabilities or obligations expressly assigned to or assumed by a member of the AOUT Group under this Agreement; and (ii) except as otherwise expressly provided for herein or in the Separation and Distribution Agreement, all Liabilities with respect to the employment (including the termination thereof), compensation, and employee benefits of all (x) AOUT Employees, (y) AOUT Former Employees, and (z) all independent contractors, temporary employees, consultants,

freelancers, agency employees, leased employees, or other non-payroll workers allocated to the Outdoor Products and Accessories Business, in each case, and their respective dependents and beneficiaries (and any alternate payees in respect thereof), whenever incurred. Such Liabilities are assumed or retained regardless of when such Liabilities arose or arise, or whether the facts on which they are based occurred prior to or subsequent to the Distribution Time, regardless of where or against whom such Liabilities are asserted or determined and include, without limitation, (1) wages, salaries, incentive compensation, commissions, and bonuses, (2) any and all Liabilities with respect to Employment Claims made by or with respect to AOUT Employees or AOUT Former Employees or in connection with any AOUT Plan, and (3) all service-related Liabilities to any individual who is or was an independent contractor, temporary employee, consultant, freelancer, agency employee, leased employee, or other non-payroll worker connected to the Outdoor Products and Accessories Business. All Liabilities assumed or retained by a member of the AOUT Group under this Section 2.3(b) shall be "AOUT Liabilities" for purposes of the Separation and Distribution Agreement.

Section 2.4 No Termination of Employment Intended as a Result of the Allocation of Employees. It is intended that no SWBI Employee and no AOUT Employee will experience a termination of employment for severance purposes or otherwise solely as a result of the transactions contemplated by the Separation and Distribution Agreement (including any transfer of employment effectuated in connection with those transactions). To the extent permitted by Applicable Law, no SWBI Employees and no AOUT Employees shall be entitled to any termination or severance payments or benefits as a result of such transactions or transfer, as applicable. SWBI shall, and shall cause other members of the SWBI Group (as applicable), and AOUT shall, and shall cause other members of the AOUT Group (as applicable), to cause any applicable Plan to be interpreted and administered consistent with such intent, to the greatest extent possible without breaching the applicable Plan.

Section 2.5 At-Will Employment. Nothing in this Agreement shall (a) create any obligation on the part of any member of the SWBI Group or the AOUT Group to continue the employment of any SWBI Employee or AOUT Employee following the date of this Agreement or the Distribution Time (except as required by Applicable Law) or (b) change the employment status of any SWBI Employee or AOUT Employee from "at-will," to the extent such SWBI Employee or AOUT Employee was an "at-will" employee under Applicable Law.

Section 2.6 Service Crediting.

(a) From and after the Distribution Time, AOUT shall, and shall cause other members of the AOUT Group (as applicable) to, recognize each AOUT Employee's service prior to the Distribution Time (including service with any member of the SWBI Group prior to the Distribution Time) for all purposes, including purposes of eligibility, vesting, and level of paid time off or severance benefits under any AOUT Plan, to the same extent and for the same purpose such service was recognized as of the Distribution Time under the corresponding SWBI Plan. Notwithstanding the foregoing, nothing herein shall require the AOUT Group or any equity compensation plan or arrangement maintained by the AOUT Group after the Distribution Time to credit service prior to the Distribution Time for purposes of any equity award or other equity-based benefit or equity-based compensation that may be established by the AOUT Group at any time at or after the Distribution Time.

(b) Notwithstanding anything to the contrary in this Agreement, or the Separation and Distribution Agreement, no Employee shall receive service credit or benefits to the extent that receipt of such service credit or benefits would result in duplication of benefits provided by another SWBI Plan or AOUT Plan.

Section 2.7 Continuity of Benefits and Coverage. It is the intention of SWBI and AOUT that there be uninterrupted employee benefit plan participation and coverage for SWBI Employees and AOUT Employees, notwithstanding the transactions contemplated by the Separation and Distribution Agreement, this Agreement, or any other Ancillary Agreement. Therefore, SWBI and AOUT shall use their reasonable best efforts to cause there to be no interruption of coverage with respect to the type of employee benefits or coverage being provided to such Employees immediately prior to the Distribution Time.

Section 2.8 Establishment and Spinoff of 401(k) Plan.

(a) Effective as of the Distribution Time (the "AOUT 401(k) Plan Effective Date"), (i) AOUT (or a designated member of the AOUT Group) shall have adopted a defined contribution plan that contains a cash or deferred arrangement within the meaning of Section 401(k) of the Code and is intended to be qualified under Section 401(a) of the Code (the "AOUT 401(k) Plan"), and (b) each member of the AOUT Group shall no longer be a participating employer in the SWBI 401(k) Plan (the "SWBI 401(k) Plan"). The AOUT 401(k) Plan is intended to have terms and features (including employer contribution provisions) substantially similar to the SWBI 401(k) Plan for the applicable AOUT Employees.

(b) Upon the 401(k) Plan Effective Date, all AOUT Employees who, immediately prior to such time, were participants in or otherwise eligible to participate in a SWBI 401(k) Plan shall be immediately eligible to participate in the corresponding AOUT 401(k) Plan with respect to compensation paid after the 401(k) Plan Effective Date.

(c) As soon as practicable after the 401(k) Plan Effective Date, SWBI shall cause the accounts of AOUT Employees under the SWBI 401(k) Plan, including promissory notes evidencing outstanding loans of AOUT Employees, and the value of assets attributable to such accounts of AOUT Employees to be transferred to the AOUT 401(k) Plan in a "transfer of assets or liabilities" in accordance with Section 414(l) of the Code and Section 208 of ERISA and the respective rules and regulations promulgated thereunder. The assets so transferred shall be in the form of cash or other property, as SWBI and AOUT shall mutually agree prior to such transfer. Prior to such transfer, AOUT shall provide SWBI with such documents and other information as SWBI shall reasonably request to assure itself that the AOUT 401(k) Plans and the related trusts established pursuant thereto (i) are qualified and tax-exempt under Sections 401(a) and 501(a) of the Code, respectively, and (ii) contain participant loan provisions and procedures necessary to effect the orderly transfer of participant loan balances associated with the transfer of assets. Prior to the transfer, SWBI and AOUT shall (or shall cause the applicable member(s) of their Group to) notify the IRS of the transfer by timely filing Forms 5310-A, to the extent such filings are required, and SWBI shall provide to AOUT copies of such personnel and other records of SWBI pertaining to the AOUT Employees and such records of any agent or representative of SWBI pertaining to the AOUT Employees, in each case, pertaining to the SWBI 401(k) Plans and as AOUT may reasonably request in order to administer and manage the accounts and assets transferred to the AOUT 401(k) Plans. Upon such transfer, AOUT and each member of the AOUT Group and the AOUT 401(k) Plans shall assume all assets, liabilities, and obligations with respect to all amounts transferred (including loans) from the SWBI 401(k) Plans to the AOUT 401(k) Plans in respect of the AOUT Employees, including any employer contributions required to have been made on behalf of the AOUT Employees for periods prior to the Distribution Time, and SWBI and each member of the SWBI Group and the SWBI 401(k) Plan shall be relieved of all such assets, liabilities, and obligations.

Section 2.9 Group Health and Welfare Plan Continuation Coverage.

(a) AOUT Group Welfare Plans. As of the Distribution Time, AOUT (or a designated member of the AOUT Group) shall take, or cause to be taken, all actions necessary and appropriate to

establish substantially similar plans of the SWBI Group Welfare Plans in existence immediately prior to the Distribution Time (collectively, the "AOUT Group Welfare Plans") to provide benefits thereunder for all eligible AOUT Participants effective as of the Distribution Time. As of the Distribution Time, each member of the AOUT Group shall no longer be a participating employer in the SWBI Group Welfare Plans. With respect to any Liabilities relating to or arising in connection with claims incurred under an AOUT Group Welfare Plan by AOUT Participants from and after the effective date of such AOUT Group Welfare Plan, including claims that are self-insured and claims that are fully insured through third party insurance, AOUT and the applicable AOUT Group Welfare Plan shall be solely responsible for such Liabilities. For the avoidance of doubt, the SWBI Group shall remain liable for any Liabilities relating to or arising in connection with claims by an AOUT Employee or AOUT Former Employee (or any of their dependents or beneficiaries) that occurred prior to the Distribution Time and, thus, under a SWBI Group Welfare Plan.

(b) COBRA Continuation Coverage. From and after the Distribution Time, (A) the SWBI Group shall assume or retain and shall be solely responsible for, or cause the SWBI Group Welfare Plans, as applicable (and applicable insurance carriers) to be responsible for, the continuation coverage requirements imposed by COBRA as they relate to any SWBI Participant or Former Employee, and no member of the AOUT Group shall have any liability or obligation with respect thereto; and (B) the AOUT Group shall assume or retain and shall be solely responsible for, or cause the AOUT Group Welfare Plans, as applicable (and applicable insurance carriers) to be responsible for, COBRA continuation coverage requirements as they relate to any AOUT Participant, and no member of the SWBI Group shall have any liability or obligation with respect thereto.

Section 2.10 Disability Plans. Each SWBI Participant and AOUT Participant who became disabled, as defined under a SWBI Welfare Plan that provides short-or long-term disability benefits prior to the Distribution Time, shall be eligible or continue to be eligible for such benefits under the applicable SWBI Welfare Plan in accordance with the terms and conditions of such SWBI Welfare Plan; provided that AOUT shall be responsible for reimbursing SWBI for any self-insured short-term disability benefits with respect to such disabled AOUT Employee for the period after the Distribution Time until such time as those short-term disability benefits terminate in accordance with the terms of such SWBI Welfare Plan. In the event any such disabled AOUT Employee becomes eligible to transition directly from receiving short-term disability benefits to receiving long-term disability benefits either before or as of the Distribution Time under the applicable SWBI Welfare Plan, SWBI and the applicable SWBI Welfare Plan shall provide the long-term disability benefits to which such disabled AOUT Employee is entitled (taking into account, if applicable, the extent to which such employee has elected such coverage and has made the required contributions therefor). As of the Distribution Time, AOUT or a member of the AOUT Group shall take, or cause to be taken, all action necessary and appropriate to establish or designate and administer short- and long-term disability plans to provide benefits thereunder for all eligible AOUT Employees (and their eligible dependents and beneficiaries).

Section 2.11 Vacation and Paid Time Off. Effective as of the Distribution Time, the AOUT Group shall assume all Liabilities with respect to vacation, holiday, sick leave, paid time off, personal days, and other paid time off (collectively, "PTO") with respect to AOUT Employees and AOUT Former Employees accrued on or prior to the Distribution Time and AOUT shall credit AOUT Employees and AOUT Former Employees with such accrual; provided that if under Applicable Law, any such accrued PTO is required to be paid out as of the Distribution Time to any AOUT Employee or AOUT Former Employee, such payment will be made by AOUT in lieu of the crediting of the accrual to such AOUT Employee or AOUT Former Employee. For the avoidance of doubt, the SWBI Group shall retain all Liabilities with respect to accrued PTO attributable to SWBI Employees and SWBI Former Employees.

Section 2.12 Insurance Contracts and Third-Party Vendor Agreements. To the extent any Plan is funded (in whole or in part) through the purchase of an insurance contract, SWBI and AOUT shall

cooperate, and each shall use its commercially reasonable efforts to effectuate the provisions of this Agreement in relation to such contract and to obtain any necessary consents and maintain any pricing discounts or other preferential terms for both SWBI (or the applicable member of the SWBI Group) and AOUT (or the applicable member of the AOUT Group) for a reasonable term. To the extent any Plan is administered by a third-party vendor, SWBI and AOUT shall cooperate, and each shall use its commercially reasonable efforts to replicate any contract with such third-party vendor for SWBI (or the applicable member of the SWBI Group) or AOUT (or the applicable member of the AOUT Group), as applicable, and to maintain any pricing discounts or other preferential terms for both SWBI (or the applicable member of the SWBI Group) and AOUT (or the applicable member of the AOUT Group) for a reasonable term. Neither SWBI nor AOUT shall be liable for failure to obtain consents, new insurance or administrative contracts, pricing discounts, or other preferential terms for the other Party or the applicable member of its Group. Each Party shall be responsible for any new or additional premiums, charges, or administrative fees that such Party may incur with respect to its insurance coverage or contracts pursuant to this Agreement.

Section 2.13 Reimbursements. The Parties acknowledge that the SWBI Group, on the one hand, and the AOUT Group, on the other hand, may incur costs and expenses, including, but not limited to, contributions to Plans and the payment of insurance premiums or vendor fees or expenses arising from or related to any of the Plans which are, as set forth in this Agreement, the responsibility of the other Party. Accordingly, the SWBI Group and the AOUT Group shall reimburse each other, as soon as practicable, but in any event within thirty (30) days of receipt from the other Party of appropriate verification, for all such costs, fees, and expenses.

Section 2.14 No Duplication of Benefits; Service and Other Credit. SWBI and AOUT shall adopt, or cause to be adopted, all reasonable and necessary amendments and procedures to prevent AOUT Participants from receiving duplicative benefits from the SWBI Plans and the AOUT Plans. With respect to AOUT Employees, each AOUT Plan shall provide that for purposes of determining eligibility to participate, vesting, and entitlement to benefits (but not for accrual of pension benefits under any defined benefit pension plan), service prior to the Distribution Time with a SWBI Group member shall be treated as service with the applicable AOUT Group member. Such service also shall apply for purposes of satisfying any waiting periods, evidence of insurability requirements, or the application of any preexisting condition limitations under any AOUT Plan. Each AOUT Plan shall, to the extent practicable, waive pre-existing condition limitations with respect to AOUT Employees. AOUT shall honor any deductible, co-payment, and out-of-pocket maximums incurred by the AOUT Employees and their eligible dependents under the SWBI Plans in which they participated immediately prior to the Distribution Time during the portion of the calendar year prior to the Distribution Time in satisfying any deductibles, co-payments, or out-of-pocket maximums under the AOUT Plans in which they are eligible to participate after the Distribution Time in the same plan year in which such deductibles, co-payments, or out-of-pocket maximums were incurred. With respect to the AOUT Group Welfare Plan that is a flexible spending account plan, SWBI shall cause the accounts of AOUT Participants who are participating in the flexible spending accounts under the SWBI Group Welfare Plans to be transferred to the flexible spending account plan under the AOUT Group Welfare Plans. SWBI and AOUT will work together in good faith to facilitate any necessary transition.

Section 2.15 Workers’ Compensation. The SWBI Group shall be solely responsible for all workers’ compensation claims of (i) AOUT Employees and AOUT Former Employees with respect to Workers’ Compensation Events occurring before the Distribution Time, and (ii) SWBI Employees and SWBI Former Employees regardless of when the Workers’ Compensation Events occur. The AOUT Group shall be solely responsible for workers’ compensation claims of AOUT Employees and AOUT Former Employees with respect to Workers’ Compensation Events occurring on or after the Distribution Time, except for claims that are defined by individual state workers’ compensation boards as “cumulative trauma” claims.

Section 2.16 Annual Bonuses. The SWBI Group shall be solely responsible for all annual bonuses earned by SWBI Employees and SWBI Former Employees (i.e., accrued but unpaid bonuses for SWBI Former Employees) with respect to periods ending on or after May 1, 2020. The AOUT Group shall be solely responsible for all annual bonuses earned by AOUT Employees and AOUT Former Employees (i.e., accrued but unpaid bonuses for AOUT Former Employees) with respect to periods ending on or after May 1, 2020.

ARTICLE 3
INCENTIVE COMPENSATION PLANS AND ARRANGEMENTS

Section 3.1 General Principles.

(a) SWBI and AOUT shall take any and all reasonable actions as will be necessary and appropriate to further the provisions of this Article 3, including, to the extent practicable, providing written notice or similar communication to each Employee or director who holds one or more SWBI Equity Awards granted under the SWBI Equity and Incentive Plan informing such Employee or director, as applicable, of (i) the actions contemplated by this Article 3 with respect to such SWBI Equity Awards and (ii) whether (and during what time period) any "blackout" period will be imposed upon holders of SWBI Equity Awards granted under the SWBI Equity and Incentive Plan during which time such SWBI Equity Awards may not be exercised or settled, as the case may be.

(b) Prior to the Distribution Time, AOUT shall establish the AOUT Equity and Incentive Plan, so that upon the Distribution, AOUT shall have in effect an equity compensation plan containing substantially the same terms as the SWBI Equity and Incentive Plan under which any SWBI Equity Award was granted. From and after the Distribution Time, each AOUT Equity Award that was converted from an SWBI Equity Award shall be subject to the terms of the AOUT Equity and Incentive Plan and the award agreement governing such AOUT Equity Award to which the applicable holder is a party. From and after the Distribution Time, AOUT shall retain, pay, perform, fulfill, and discharge all Liabilities arising out of or relating to the AOUT Equity Awards.

(c) Following the Distribution Time, a holder who has outstanding equity-based awards under the SWBI Equity and Incentive Plan and/or replacement equity-based awards under the AOUT Equity and Incentive Plan shall be considered to have been employed by the applicable plan sponsor before and after the Distribution Time for purposes of vesting. For the avoidance of doubt, for purposes of the SWBI Equity Awards following the Distribution Time, an AOUT Employee's or directors' continued service with a member of the AOUT Group shall be deemed continued service with a member of the SWBI Group, and for purposes of the AOUT Equity Awards following the Distribution Time, an SWBI Employee's or director's continued service with a member of the SWBI Group shall be deemed continued service with a member of the AOUT Group.

(d) No SWBI Equity Award described in this Article 3, whether outstanding or to be issued, adjusted, substituted, or cancelled by reason of or in connection with the Distribution, will be adjusted, settled, cancelled, or exercisable, until in the judgment of the administrator of the applicable plan or program such action is consistent with all Applicable Laws. With respect to each outstanding SWBI Option, the period during which such SWBI Option is exercisable and the ultimate expiration date of the SWBI Option will not be extended.

(e) From and after the Distribution Time, all SWBI Equity Awards adjusted pursuant to this Article 3 shall be subject to the terms and conditions set forth in the applicable SWBI Equity and Incentive Plan or AOUT Equity and Incentive Plan and corresponding award agreements. Without limiting the generality of the foregoing, from and after the Distribution Time, all references to the applicable company in such SWBI Equity and Incentive Plan or AOUT Equity and Incentive Plan, as applicable, and other administrative provisions requiring interpretation will refer to the appropriate company to reflect the Distribution.

(f) Each of SWBI and AOUT shall establish an appropriate administration system in order to handle exercises and delivery of shares in an orderly manner and provide reasonable levels of service for equity award holders.

(g) The adjustment or conversion of SWBI Equity Awards shall be effectuated in a manner that is intended to avoid the imposition of any accelerated, additional, penalty, or other Taxes on the holders thereof pursuant to Section 409A of the Code.

Section 3.2 SWBI Options.

(a) General Principles. The adjustments provided for in this Section 3.2 with respect to the SWBI Options and AOUT Options (as defined in Section 3.2(b)) are intended to be effectuated in a manner compliant with Section 424(a) of the Code.

(b) Treatment of SWBI Options. Each SWBI Option shall be converted, as of the Distribution Time, into (i) an option to purchase shares of the common stock of SWBI, issued pursuant to the SWBI Equity and Incentive Plan (each such option, an "Adjusted SWBI Option"); and (ii) an option to purchase shares of the common stock of AOUT (each such option, an "AOUT Option") issued pursuant to the terms of the AOUT Equity and Incentive Plan.

(i) Adjusted SWBI Options. Subject to Section 3.1, each Adjusted SWBI Option will be subject to the same terms and conditions from and after the Distribution Time as the terms and conditions applicable to the corresponding SWBI Option immediately prior to the Distribution Time; provided, however, that (y) the per-share exercise price of each such Adjusted SWBI Option will be equal to (1) the per-share exercise price of the corresponding SWBI Option immediately prior to the Distribution Time multiplied by (2) the SWBI Ratio, rounded up to the second decimal place and (z) from and after the Distribution Time, each such Adjusted SWBI Option will remain exercisable until the date ninety (90) days immediately following the termination of employment or service of the holder of such Adjusted SWBI Option by either SWBI or AOUT, unless earlier terminated pursuant to the terms of any such Adjusted SWBI Option, including, without limitation, due to any termination of employment for cause (or other similar term in any applicable SWBI Equity and Incentive Plan).

(ii) AOUT Options. Subject to Section 3.1, each AOUT Option will be subject to the same terms and conditions from and after the Distribution Time as the terms and conditions applicable to the corresponding SWBI Option immediately prior to the Distribution Time; provided, however, that from and after the Distribution Time; provided, however, that (y) the per-share exercise price of each such AOUT Option will be equal to (1) the per-share exercise price of the corresponding SWBI Option immediately prior to the Distribution Time multiplied by (2) the AOUT Ratio, rounded up to the second decimal place and (z) from and after the Distribution Time, each such AOUT Option will remain exercisable until the date ninety (90) days immediately following the termination of employment or service of the holder of such AOUT Option by either SWBI or AOUT, unless earlier terminated pursuant to the terms of any such AOUT Option, including, without limitation, due to any termination of employment for cause (or other similar term in any applicable AOUT Equity and Incentive Plan).

Section 3.3 SWBI RSUs.

(a) Treatment of SWBI RSUs Held by Directors and Designated Executives. Except as set forth in Sections 3.3(b) and (c) of this Agreement, each SWBI RSU that is held by either a member of the SWBI Board or an Employee (or Former Employee) who holds, or will hold as of the Distribution Time, the title of Chief Executive Officer, Chief Financial Officer, Vice President of Investor Relations, or General Counsel of either SWBI or AOUT (each such individual, an "Designated Executive") shall be converted, as of the Distribution Time, into (i) a restricted stock unit award with respect to shares of the common stock of SWBI, issued pursuant to the SWBI Equity and Incentive Plan (each such restricted stock unit award, an "Adjusted SWBI RSU"); and (ii) a restricted stock unit award with respect to shares of the common stock of AOUT (each such restricted stock unit award, an "AOUT RSU") issued pursuant to the terms of the AOUT Equity and Incentive Plan, the number of shares subject to each such award to be determined in the same manner as for stockholders of SWBI based on the Distribution Ratio. Each Adjusted SWBI RSU and each AOUT RSU shall be subject to the same vesting requirements and dates and other terms and conditions as the SWBI RSUs to which they relate.

(b) Treatment of SWBI RSUs Held by Other Employees. Except as set forth in Sections 3.3(a) and (c) of this Agreement, each SWBI RSUs that is held by an individual who is not an Designated Executive (each, an "Other Employee") shall be converted, as of the Distribution Time, into a new restricted stock unit award with respect to shares of the common stock of either SWBI or AOUT, whichever shall be the employer of record of such Other Employee immediately after the Distribution Date (the "New Employer RSU"). The New Employer RSU shall be issued pursuant to the terms of the SWBI Equity and Incentive Plan or the AOUT Equity and Incentive Plan, as applicable, and the number of shares subject to each such New Employer RSU shall be determined based in such a manner such that the intrinsic value of the SWBI RSU immediately prior to the Distribution Time is the same as the intrinsic value of the New Employer RSUs, immediately after the Distribution Time. Each New Employer RSU shall be subject to the same vesting requirements and dates and other terms and conditions as the SWBI RSUs to which they relate.

(c) Treatment of Deferred RSUs. Each Deferred RSU shall be treated as follows: (i) with respect to the Deferred RSUs held by I. Marie Wadecki (the "Wadecki RSU"), such Wadecki RSU shall be settled prior to that certain Record Date immediately preceding the Distribution as Ms. Wadecki shall no longer be serving on the SWBI Board as of such Distribution Time and, therefore, the shares of common stock of SWBI subject to such Wadecki RSU shall be treated as any of share of common stock of SWBI in the Distribution; (ii) with respect to the Deferred RSUs held by Robert L. Scott (the "Scott RSU"), such Scott RSU shall be treated as if Mr. Scott was a Designated Executive and, therefore, shall be converted in accordance with the provisions set forth in Section 3.3(a) above; and (iii) with respect to the Deferred RSUs held by Barry M. Monehit (the "Monehit RSU"), such Monehit RSU shall be treated as if Mr. Monehit was a Designated Executive and, therefore, shall be converted in accordance with the provisions set forth in Section 3.3(a) above.

Section 3.4 SWBI PSUs. Each SWBI PSU shall be converted, as of the Distribution Time, into (i) a performance-based restricted stock unit award with respect to shares of the common stock of SWBI, issued pursuant to the SWBI Equity and Incentive Plan (each such performance-based restricted stock unit award, an "Adjusted SWBI PSU"); and (ii) a performance-based restricted stock unit award with respect to shares of the common stock of AOUT (each such performance-based restricted stock unit award, an "AOUT PSU") issued pursuant to the terms of the AOUT Equity and Incentive Plan, in each case, the number of target shares for each award to be determined in the same manner as for stockholders of SWBI based on the Distribution Ratio**.** Each Adjusted SWBI PSU and each AOUT PSU shall be subject to the substantially similar terms and conditions as the SWBI PSUs to which they relate, except that the performance criteria applicable to such awards shall be determined in accordance with the following: (x)

with respect to the Adjusted SWBI PSU, (1) the market cap of SWBI as compared to the Russell 2000 index ("RUT") for the first ninety (90) days after the date of grant, as compared to (2) the combined market cap of SWBI and AOUT as compared to the RUT for ninety (90) days immediately preceding the last day of the applicable performance period, and (y) with respect to the AOUT PSU, (1) the market cap of AOUT as compared to the RUT for the first ninety (90) days after the date of grant, as compared to (2) the combined market cap of SWBI and AOUT as compared to the RUT for ninety (90) days immediately preceding the last day of the applicable performance period.

Section 3.5 Tax Withholding, Reporting, and Deductions.

(a) The appropriate member of the SWBI Group shall be responsible for all payroll taxes, withholding, and reporting with respect to SWBI Equity Awards held by SWBI directors, SWBI Employees and SWBI Former Employees. The appropriate member of the AOUT Group shall be responsible for all payroll taxes, withholding, and reporting with respect to AOUT Equity Awards held by AOUT directors, AOUT Employees and AOUT Former Employees. SWBI and AOUT hereby designate the other party as an agent for withholding pursuant to IRS Revenue Procedure 70-6 and to accept such designation to effectuate the intent of this Section 3.5(a).

(b) With respect to the SWBI Equity Awards held by SWBI Employees or SWBI Former Employees, the appropriate member of the SWBI Group shall claim any federal, state, and/or local tax deductions after the Distribution Time, and no member of the AOUT Group shall claim any such deductions. With respect to the SWBI Equity Awards held by AOUT Employees or AOUT Former Employees, the appropriate member of the AOUT Group shall claim any federal, state, and/or local tax deductions after the Distribution Time, and no member of the SWBI Group shall claim any such deductions. If either SWBI or AOUT determines in its reasonable judgment that there is a substantial likelihood that a tax deduction that was assigned to the SWBI Group or the AOUT Group pursuant to this Section 3.5(b) will instead be available only to the other Party (whether as a result of a determination by the IRS or another tax authority, a change in the Code or the regulations or guidance thereunder, or otherwise), it shall notify the other Party and both Parties will negotiate in good faith to resolve the issue in accordance with the following principle: the Party entitled to the deduction shall pay to the other Party an amount that places the other Party in a financial position equivalent to the financial position the Party would have been in had the Party received the deduction as intended under this Section 3.5(b). Such amount shall be paid within 90 days after filing the last tax return necessary to make the determination described in the preceding sentence.

(c) Upon the exercise of an SWBI Option or AOUT Option, the exercise price of such stock option shall be remitted in cash by the option administrator to the issuer of the option (the appropriate member of the SWBI Group or the AOUT Group, as applicable) and the applicable withholding taxes shall be remitted in cash by the option administrator to the entity (the appropriate member of the SWBI Group or the AOUT Group, as applicable) responsible for payroll taxes, withholding, and reporting with respect to the option pursuant to this Section 3.5. Upon vesting or payment, as applicable, of SWBI or AOUT RSUs or PSUs, the applicable withholding shall be remitted in cash by the administrator to the entity (the appropriate member of the SWBI Group or the AOUT Group, as applicable) responsible for payroll taxes, withholding, and reporting with respect to such awards pursuant to this Section 3.5. To the extent necessary to provide the withholding amount in cash to the entity responsible for payroll taxes, withholding, and reporting, the issuer of the applicable award shall provide the withholding amount in cash. Notwithstanding the foregoing, the method of remittance of the exercise price of any stock option or any applicable withholding taxes may vary for legal or administrative reasons.

(d) If SWBI or AOUT determines in its reasonable judgment that any action required under this Article 3 will not achieve the intended tax, accounting, and legal results, including, without limitation, the intended results under Code Section 409A or FASB ASC Topic 718 – Stock Compensation, then at the request of SWBI or AOUT, as applicable, SWBI and AOUT shall mutually cooperate in taking such actions as are necessary or appropriate to achieve such results, or most nearly achieve such results if the originally intended results are not fully attainable.

(e) SWBI and AOUT each acknowledges and agrees to use commercially reasonable efforts to cooperate with each other and with third-party providers to effect withholding and remittance of Taxes, as well as required tax reporting, in a timely, efficient, and appropriate manner to further the purposes of this Article 3 and to administer all equity awards that are outstanding immediately following the Distribution Time (including all such equity awards that are adjusted in accordance with this Article 3) to the extent consistent with this Agreement and Applicable Law, for as long as is reasonably necessary to further the purposes of this Article 3.

ARTICLE 4
LABOR AND EMPLOYMENT MATTERS

Section 4.1 Payroll Reporting and Tax Withholding.

(a) Form W-2 Reporting. To the extent an Employee's employing entity changes as a result of the transactions contemplated by the Separation and Distribution Agreement, SWBI and AOUT shall use the "standard procedure" for preparing and filing IRS Forms W-2 (Wage and Tax Statements), as described in Revenue Procedure 2004-53, for the calendar year in which such change occurs. Under this procedure, each employing entity shall provide (subject to any applicable provisions of the Transition Services Agreement) all required Forms W-2 to report the wages paid and taxes withheld by it during the year in which the Distribution Time occurs. With respect to any issuances of SWBI Common Stock or AOUT Common Stock described above, the Employee's employing entity shall reflect such issuance and taxes withheld in connection with such issuance on the Form W-2 provided to such Employee by such employing entity during the year in which such issuance occurs. With respect to SWBI Employees and AOUT Employees outside of the United States, the Parties shall cooperate in good faith to obtain the same or similar results, to the extent possible, under applicable tax laws.

(b) Garnishments, Tax Levies, Child Support Orders, and Wage Assignments. With respect to any Employees with garnishments, tax levies, child support orders, or wage assignments in effect immediately prior to the Distribution Time, a member of the AOUT Group (with respect to AOUT Employees) or a member of the SWBI Group (with respect to SWBI Employees) shall, to the extent permitted by Applicable Law, honor such payroll deduction authorizations and shall continue to make payroll deductions and payments to the authorized payee, as specified by the court or governmental order which was filed prior to the Distribution Time.

(c) Authorizations for Payroll Deductions. Unless otherwise prohibited by this Agreement, any other Ancillary Agreement, a Plan document, or Applicable Law, with respect to Employees with authorizations for payroll deductions and direct deposits in effect immediately prior to the Distribution Time, a member of the AOUT Group (with respect to AOUT Employees) or a member of the SWBI Group (with respect to SWBI Employees) shall honor such payroll deduction authorizations and shall not require that such Employee submit a new authorization to the extent that the type of deduction does not differ from that made prior to the Distribution Time. Such deduction types include, without limitation, contributions to any Plan and direct deposit of payroll, employee relocation loans, and other types of authorized company receivables usually collectible through payroll deductions.

Section 4.2 Employment Policies and Practices. Subject to the provisions of the Transition Services Agreement, ERISA, and other Applicable Law, and unless otherwise specified in this Agreement, each member of the AOUT Group and the SWBI Group may, after the Distribution Time, adopt, continue,

modify, or terminate such employment policies, compensation practices, retirement plans, welfare benefit plans, and other employee benefit plans of any kind or description, as each may determine, in its sole discretion, are necessary and appropriate, with respect to AOUT Employees and SWBI Employees, respectively.

Section 4.3 Leave of Absence Policies. Following the Distribution Time, the applicable members of the AOUT Group shall continue to apply the leave policies applicable to inactive AOUT Employees who are on an approved leave of absence as of the Distribution Time in accordance with the terms of such policies applicable to the AOUT Employees as of the Distribution Time. For purposes of such policies, to the extent allowed under Applicable Law, leaves of absence taken by AOUT Employees prior to the Distribution Time shall be deemed to have been taken as employees of the AOUT Group.

Section 4.4 Employee Records. The SWBI Group shall provide to the AOUT Group (a) any and all employment records and information (including, but not limited to, any personnel files, Form I-9, Form W-2, Form 1099, or other IRS forms) with respect to the AOUT Employees that are in the possession of any member of the SWBI Group that are reasonably required by the AOUT Group to enable the AOUT Group to properly employ the AOUT Employees and to carry out its obligations under this Agreement and Applicable Law ("Employee Record"); and (b) copies of any and all employment-related agreements, including, but not limited to, confidentiality agreements, restrictive covenants, arbitration agreements and employment-related acknowledgements to which any SWBI Employee is a party and under which the AOUT Group has any rights or obligations following the Distribution Time.

Section 4.5 WARN Act. The Parties shall cooperate in good faith so that no terminations of employment in connection with the transactions contemplated or undertaken by this Agreement or the Separation and Distribution Agreement have triggered or shall trigger any rights or obligations under the federal Worker Adjustment and Retraining Notification Act, or any other federal, state, or local Applicable Law addressing employment separations (collectively, the "WARN Act").

Section 4.6 Access to Employee Records. Following the Distribution Time and to the extent permitted by Applicable Law, AOUT shall permit SWBI access to Employee Records of AOUT Employees, to the extent reasonably necessary for SWBI's legitimate business purposes or to comply with Applicable Law, and SWBI shall permit AOUT access to Employee Records of SWBI Employees, to the extent reasonably necessary for AOUT's legitimate business purposes or to comply with Applicable Law.

Section 4.7 Protection of Personal Information. The Parties shall comply with all applicable confidentiality obligations and privacy laws that govern the personal information shared or otherwise made accessible following the Distribution Time. Each Party further agrees to use commercially reasonable efforts to protect any personal information of the other Party that it acquires or accesses following the Distribution Time.

ARTICLE 5
MISCELLANEOUS

Section 5.1 Relationship of Parties. Nothing in this Agreement shall be deemed or construed by the Parties or any third party as creating the relationship of principal and agent, partnership, or joint venture between the Parties, it being understood and agreed that no provision contained herein, and no act of the Parties, shall be deemed to create any relationship between the Parties other than the relationship set forth herein.

Section 5.2 Access to Information; Cooperation. The SWBI Group, the AOUT Group, and their authorized agents shall be given reasonable and timely access to and may take copies of all information

relating to the subjects of this Agreement (to the extent not prohibited by Applicable Law) in the custody of the other Party, including any agent, contractor, subcontractor, or any other Person under the contract of such Party. The Parties shall provide one another with such information within the scope of this Agreement as is reasonably necessary to administer each Party's Plans or take the actions required of such Party under this Agreement. The Parties shall cooperate with each other to minimize the disruption caused by any such access and providing of information.

Section 5.3 Complete Agreement. This Agreement and any related provisions of the Transition Services Agreement and the Separation and Distribution Agreement shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments, and writings with respect to such subject matter.

Section 5.4 Counterparts. This Agreement may be executed in more than one counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the Parties and delivered to the other Party.

Section 5.5 Survival. Except as otherwise contemplated by this Agreement or any Ancillary Agreement, all covenants and agreements of the Parties contained in this Agreement shall survive the Distribution Time and remain in full force and effect in accordance with its applicable terms.

Section 5.6 Notices. All notices, requests, claims, demands, and other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, or by registered or certified mail (postage prepaid, return receipt requested) to the respective Party at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 5.6):

To SWBI:

Smith & Wesson Brands, Inc.
2100 Roosevelt Avenue
Springfield, Massachusetts 01104
Email: rcicero@smith-wesson.com
Attn: General Counsel

with a copy to:

Greenberg Traurig, LLP
2375 East Camelback Road, Suite 700
Phoenix, Arizona 85016
Email: kantr@gtlaw.com
beckk@gtlaw.com
Attn: Robert S. Kant
Katherine A. Beck

To AOUT:

American Outdoor Brands, Inc.
1800 North Route Z
Columbia, Missouri 65202
Email: dbrown@aob.com
Attn: Chief Counsel

with a copy to:

Greenberg Traurig, LLP
2375 East Camelback Road, Suite 700
Phoenix, Arizona 85016
Email: kantr@gtlaw.com
beckk@gtlaw.com
Attn: Robert S. Kant
Katherine A. Beck

Section 5.7 Waivers. The failure of any Party to require strict performance by the other Party of any provision in this Agreement shall not waive or diminish that Party's right to demand strict performance thereafter of that or any other provision hereof.

Section 5.8 Amendment. This Agreement may not be modified or amended except by an agreement in writing signed by each of the Parties.

Section 5.9 Assignment. Except as otherwise provided for in this Agreement, this Agreement shall not be assignable, in whole or in part, directly or indirectly, by any Party without the prior written consent of the other Party, and any attempt to assign any rights or obligations arising under this Agreement without such consent shall be void; provided, that a Party may assign this Agreement in connection with a merger transaction in which such Party is not the surviving entity or the sale by such Party of all or substantially all of its assets; provided, further, that the surviving entity of such merger or the transferee of such assets shall agree in writing, reasonably satisfactory to the other Party, to be bound by the terms of this Agreement as if named as a Party hereto.

Section 5.10 Successors and Assigns. The provisions of this Agreement and the obligations and rights hereunder shall be binding upon, inure to the benefit of, and be enforceable by (and against) the Parties and their respective successors and permitted transferees and assigns.

Section 5.11 No Circumvention. The Parties agree not to directly or indirectly take any actions, act in concert with any Person who takes an action, or cause or allow any member of any such Party's Group to take any actions (including the failure to take a reasonable action) such that the resulting effect is to materially undermine the effectiveness of any of the provisions of this Agreement.

Section 5.12 Third Party Beneficiaries. This Agreement is solely for the benefit of the Parties and should not be deemed to confer upon third parties (including current or former employees of the Parties) any remedy, claim, liability, reimbursement, right of action, or other right in excess of those existing without reference to this Agreement. Without limiting the generality of the foregoing, nothing contained in this Agreement (i) shall be construed to establish, amend, or modify any Plan or other benefit or compensation plan, program, agreement, or arrangement, or (ii) create any rights or obligations in any Person not Party to this Agreement (including any SWBI Employee or AOUT Employee), including with respect to (x) any right to employment or continued employment or to a particular term or condition of employment and (y) the ability of the SWBI Group and the AOUT Group to amend, modify, or terminate any Plan or other benefit or compensation plan, program, agreement, or arrangement at any time established, sponsored, or maintained by any of them.

Section 5.13 Title and Headings. Titles and headings to sections herein are inserted for the convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

Section 5.14 Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of Delaware. Any and all claims, controversies, and causes of action arising out of or relating to this Agreement, whether sounding in contract, tort, statute, or otherwise, shall be governed by the laws of the State of Delaware, including its statutes of limitations, without giving effect to any conflict-of-laws or other rule that would result in the application of the laws of a different jurisdiction.

Section 5.15 Non-Solicitation. During the 24-month period following the Distribution Time (the "Restricted Period"), SWBI shall not solicit or induce or attempt to solicit or induce any AOUT Employee or independent contractor of AOUT to terminate his or her relationship with AOUT. This restriction shall not prevent SWBI from placing public advertising or conducting any other form of general public solicitation that is not targeted towards AOUT Employees or independent contractors of AOUT, or from hiring any AOUT Employee or independent contractor of AOUT who responds to such a public solicitation. During the Restricted Period, AOUT shall not solicit or induce or attempt to solicit or induce any SWBI Employee or independent contractor of SWBI to terminate his or her relationship with SWBI. This restriction shall not prevent AOUT from placing public advertising or conducting any other form of general public solicitation that is not targeted towards SWBI Employees or independent contractors of SWBI or from hiring any SWBI Employee or independent contractor of SWBI who responds to such a public solicitation.

Section 5.16 Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The Parties shall endeavor in good-faith negotiations to replace the invalid, illegal, or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, illegal, or unenforceable provisions.

Section 5.17 Interpretation. The Parties have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting or causing any instrument to be drafted.

Section 5.18 No Duplication; No Double Recovery. Nothing in this Agreement is intended to confer to or impose upon any Party a duplicative right, entitlement, obligation, or recovery with respect to any matter arising out of the same facts and circumstances.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

SMITH & WESSON BRANDS, INC.

By: */s/ Mark P. Smith*
Name: Mark P. Smith
Title: President and Chief Executive Officer

AMERICAN OUTDOOR BRANDS, INC.

By: */s/ Brian D. Murphy*
Name: Brian D. Murphy
Title: President and Chief Executive Officer

Signature Page to Employee Matters Agreement

Exhibit 10.124

TRADEMARK LICENSE AGREEMENT

This TRADEMARK LICENSE AGREEMENT (the "Agreement") is entered into and made effective on this 24th day of August, 2020, the (**"Effective Date"**) by and between **Smith & Wesson Inc.**, a Delaware corporation having a place of business at 2100 Roosevelt Avenue, Springfield, Massachusetts 01104 (**"S&W" or "Licensor"**) and **AOB Products Company**, a Delaware corporation having a place of business at 1800 North Route Z, Columbia, Missouri 65202 (**"Licensee"**). Each of S&W and Licensee may be referred to herein as a "party" and collectively they may be referred to herein as the "parties."

Background:

A. S&W owns certain trademarks for use on and in connection with firearms, apparel, accessories and other products;

B. Licensee is engaged in the business of manufacturing, selling and sourcing accessories, apparel and other products, and desires to engage in the development, design, manufacture, sourcing, marketing, advertising, promoting, merchandising, shipment, distribution and sale of certain products as identified in Schedule A bearing one or more of S&W's trademarks;

C. Subject to and conditional upon Licensee's compliance with the terms and conditions of this Agreement, S&W agrees to grant to Licensee a license to use certain of S&Ws trademarks solely as set forth herein.

NOW THEREFORE, in consideration of the above premises and the mutual covenants and undertakings of the parties hereunder, S&W and Licensee agree as follows:

1. Definitions; Interpretation.

1.1 Defined Terms. As used in this Agreement, the following terms will have the following meanings:

"**Affiliate**" means any entity that now or hereafter directly, or indirectly, through one or more intermediaries, Controls (defined below), or is Controlled by, or is under common Control with, a party.

"Applicable Law" means all applicable statutes, laws, regulations, ordinances, executive orders, rules, judgments, orders, decrees, directives, guidelines (to the extent mandatory), policies (to the extent mandatory) and other similar directives, whether now or hereafter in effect, of any federal, state, or local or foreign government, any political subdivision, and any governmental, quasi-governmental, judicial, public, or statutory instrumentality, administrative agency, authority, body, or other entity having jurisdiction over S&W, Licensee or the Licensed Products.

"Channels of Distribution" means only those channels of distribution identified in Schedule A.

"Confidential Information" means any and all information proprietary to one of the parties hereto, whether or not reduced to writing or other tangible medium of expression, and whether or not patented, patentable, capable of trade secret protection or protected as an unpublished or published work under the copyright laws. Confidential Information includes the terms of this Agreement (but not the existence of this Agreement), information relating to Intellectual Property and to business plans, financial matters, products, services, manufacturers, manufacturing processes and methods, costs, sources of supply, strategic marketing plans, customer lists, sales, profits, pricing methods, personnel and business relationships. Confidential Information shall not include any information that: (i) was already known to the receiving party prior to its relationship with the disclosing party, as established by the receiving party's written records; (ii) becomes

generally available to the public other than as a result of the receiving party's breach of this Agreement; (iii) is furnished to the receiving party by a third party who is lawfully in possession of, and who lawfully conveys, such information; (iv) is subsequently developed by the receiving party independently of the information received from the disclosing party, as established by the receiving party's written records; or (v) is ordered to be disclosed by a court or regulatory body of competent jurisdiction. Should either party be served with a request to disclose Confidential Information in a judicial or regulatory body proceeding, it will not do so before notifying the other party in writing within ten (10) days as to provide such party the opportunity to object to the disclosure to the court or regulatory body. Nothing in this paragraph is intended to cause either party to disobey a court or other lawful order or requirement.

"Control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person (defined below), whether through the ownership of voting securities, by contract or otherwise, in each case as interpreted under Rule 12b-2 of the Securities Exchange Act of 1934, as amended.

"Intellectual Property" means all rights, title and interests pertaining to or arising from patents, copyrights, trade secrets, trademarks, trade dress, rights of publicity, and all similar rights throughout the world and however denominated; all domain names; all rights and interests arising from information relating to research and development, product design, materials, manufacturing techniques, supply and distribution arrangements, marketing and advertising plans and materials, pricing and other financial information; and all rights and interests arising from inventions, discoveries, improvements, methods and processes, know how, algorithms, compositions, works of authorship, concepts, designs, styles, graphics, images, ideas, prototypes, writings, notes and patent applications, and all such rights and interests without regard to whether or not patentable or capable of trade secret or copyright protection.

"Licensed Products" means only those products in the product categories as defined in Schedule A.

"Licensed Trademarks" mean only those trademarks, used either separately or in conjunction with each other, in the form set forth in Schedule A, and all goodwill associated with such marks existing as of the Effective Date, and all goodwill arising thereafter whether such goodwill arises from the activities of S&W or Licensee.

"Net Sales" means the aggregate amount booked as sales, billed, invoiced or received (whichever comes first) by Licensee for sales or other transfers of Licensed Products in arm's length transactions in the Territory, less (i) promotional markdowns, (ii) reasonable quantity discounts actually granted to the extent customarily granted to Licensee's customers based on volume, (iii) customer returns actually credited, (iv) to the extent separately stated on purchase orders, invoices or other documents of sale, any duties, taxes and/or other governmental fees or charges levied on the production, sale, transportation, delivery or use of the Licensed Products and paid by or on behalf of Licensee, and (v) reasonable charges for delivery or transportation provided by third parties, if separately stated on purchase orders, invoices or other documents of sale. No deductions in Net Sales may be made for: (vi) cash or other discounts (except as stated above); (vii) commissions; (viii) uncollectable accounts; (ix) taxes, fees, assessments, impositions, payments or expenses of any kind that may be incurred or paid by Licensee in connection with the royalty payments due to S&W hereunder or in connection with the transfer of funds or royalties or with the conversion of any currency into United States dollars; or (x) any costs incurred in the research, design, development, manufacture, sourcing, offering for sale, sale, advertising, promotion, shipment, distribution or exploitation of the Licensed Products. In the event that any Licensed Products are sold other than in an arm's length transaction, then Net Sales shall be deemed to be the Net Sales which would have been applied under this Agreement had such sale been to an independent arm's length purchaser. For purposes of determining royalties owed under this Agreement, Net Sales (A) shall not include the sale or distribution of Licensed Products to Licensor or to an Affiliate of Licensor (excluding the Licensee); and (B) shall not include the sale and distribution of products acquired by Licensee from third-parties which are the subject of (i.e., licensed products under) a royalty-bearing license between a third party and Licensor.

“Person” means any natural person, sole proprietorship, partnership, corporation, limited-liability company, firm or other entity.

“S&W Intellectual Property” means (i) the S&W Trademarks; (ii) any marketing, advertising or promotional materials and any packaging referencing or containing any Licensed Product developed or created by S&W, including but not limited to domain names; (iii) all Intellectual Property owned by S&W prior to the Effective Date and all Intellectual Property independently created by S&W; (iv) all Intellectual Property of or relating to the Smith & Wesson, M&P, Performance Center, Thompson/Center and Gemtech brands and their associated products, as well as any other brand now or in the future owned by S&W; (v) all Intellectual Property created during the Term of this Agreement that is identified with S&W’s core firearm business (including firearms, firearm parts, magazines and suppressors) with or without a S&W Trademark, including any design, graphic, image or style approved by S&W for use, or used, in connection with any Licensed Product hereunder, whether developed or created by S&W or Licensee or both, that reflects any feature of any S&W product (including firearms, firearm parts, magazines and suppressors), such as a grip, grip texture or palm swell on an accessory or outdoor product; and (vi) any improvements to or derivatives of any of the foregoing, by S&W or Licensee or both.

“S&W Trademarks” means the Licensed Trademarks and all other Trademarks owned and/or used by S&W and all variations, derivations, stylizations, and versions thereof, as well as any image or depiction of a S&W firearm or other product, and all goodwill associated with any of the foregoing, whether or not registered in the Territory.

“Territory” means worldwide.

“Trademark” means any trademark, trade name, service mark, logo, word, name, symbol, design (including trade dress) or any combination thereof used or intended to be used to identify or distinguish a Person’s goods or services.

2. License; Restrictions.

2.1 Trademark License. Subject to, and conditional upon Licensee’s compliance with, the terms and conditions of this Agreement, including the rights retained by S&W pursuant to Section 2.2 below, and except as otherwise set forth in this Agreement, S&W hereby grants to Licensee a limited, non-transferable, exclusive right and license to use the Licensed Trademarks in the Territory and during the Term solely in connection with the manufacture, distribution, marketing, advertising, promotion, merchandising, shipping, and sale of the Licensed Products within the Channels of Distribution (the “Trademark License”) as further set forth in Schedule A, provided that Licensee’s right and license to use S&W Trademarks relating to the business of the Gemtech brand shall be non-exclusive, and S&W reserves the right to use any Licensed Trademarks in connection with Licensed Products in order for S&W and its affiliates to market and sell any products purchased from AOB Products Company under the Supply Agreement dated as of _______, 2020, between AOB Products Company and S&W (“Supply Agreement”) and for S&W and its affiliates to use or permit the use of any Licensed Trademark to otherwise exercise S&W’s rights under such Supply Agreement or the Supply Agreement dated as of August 24, 2020, between Crimson Trace Corporation and S&W, including rights with respect to “Co-Branded Products” and “Promotional Products” as defined in such agreements. Licensee shall not use the Licensed Trademarks except as expressly stated in this Agreement. Notwithstanding the foregoing, for any items that are normally included in a S&W Bill of Materials, S&W may sell, ship, distribute or use any Licensed Products or similar products to manufacture, or fulfill customer orders for parts for products sold by S&W, or for any customer service purpose other than general retail sales of Licensed Products. Notwithstanding anything in this Agreement to the contrary, S&W may manufacture, directly or through an Affiliate, or purchase from a third party, any “Promotional Products” (as herein defined). “Promotional Products” shall mean any products that will be used by S&W or any

Affiliate for promotional purposes or giveaway purposes, and not directly tied to a revenue generating transaction. Licensee's exclusive rights hereunder, the first offer provisions of Section 2.2 and any other restrictions in this Agreement shall not apply to Promotional Products. Except to the extent that Licensee's rights are non-exclusive, or that S&W otherwise reserves rights with respect to the Licensed Trademarks under this Agreement, during the term of this Agreement, S&W shall not license any third party to use the Licensed Trademarks for the manufacture or sale of any product in any product category listed in Schedule A-1. All rights not granted to Licensee in this Agreement are reserved by and to S&W.

2.2 First Offer for New Licenses. From time to time, S&W may wish to license the Licensed Trademarks to third parties for the purpose of selling products that are not identified as Licensed Products in Schedule A. In such cases, except as hereinafter provided or for those rights reserved by S&W pursuant to Section 2.1, S&W shall first notify Licensee of the license opportunity. If within fourteen (14) days after such notification, Licensee notifies S&W that Licensee is interested in such a license opportunity, then for thirty (30) days thereafter, the parties shall negotiate in good faith a mutually acceptable license agreement. If Licensee fails to timely notify S&W of Licensee's interest in such a license opportunity, or the parties fail to reach agreement on a mutually acceptable license agreement for such license within the time frames designated herein, S&W shall be free to enter into a license agreement with any third party for such a license. This Section applies only to third party licenses, and nothing in this Agreement shall prevent S&W, directly or through an Affiliate, from manufacturing or selling any products not identified as a Licensed Product in Schedule A under any Licensed Trademark. Notwithstanding the foregoing, this Section shall not apply to, and Licensee shall have no rights under this Section with respect to, any trademark license in effect on the date of this agreement with any third party licensee, or to any renewal, extension or modification of any such license agreement.

3. Use of Licensed Trademarks and Patents.

3.1 Prohibited Uses. During the Term and at all times thereafter, Licensee shall not use any of the Licensed Trademarks for any purpose other than as trademarks for the Licensed Products.

3.2 Use of Intellectual Property (Other Than S&W Intellectual Property) in Connection with the Licensed Products. Licensee shall be solely responsible for ensuring that any Intellectual Property (other than S&W Intellectual Property) proposed for use in connection with a Licensed Product does not infringe the Intellectual Property of any Person.

3.3 Marking.

Licensee shall comply with S&W's trademark usage guidelines, including all modifications and updates thereto, as are communicated in writing by S&W to Licensee by Licensor from time to time, and shall place and display the Licensed Trademarks on and in connection with the Licensed Products only in such form and manner as comply with such trademark usage guidelines. Without limiting the foregoing, S&W specifically requires Licensee to cause the Licensed Trademarks to appear on, and in connection with, all Licensed Products in the form set forth in Schedule A. Licensee shall also cause to appear on the Licensed Products and on (i) their containers, packaging, labels, tags, and the like, (ii) all Promotional Materials (defined below) and (iii) all stationery, business cards, invoices and other transaction documents and business materials which display any of the Licensed Trademarks, such other legends, markings and notices as may be required by law or regulation in the Territory or as S&W may reasonably request.

4. Registration and Licensing.

Licensee shall cooperate with S&W in any effort by S&W to register or otherwise establish or perfect its ownership of any S&W Trademark or S&W Intellectual Property applications that S&W may desire to file, and shall execute all documents and perform such acts as S&W may from time to time reasonably request in connection therewith.

5. Infringements.

Licensee shall inform S&W as soon as practicable but not more than 14 days after learning of any goods or activities that infringe (or may infringe) the Licensed Trademarks, or learns of any other infringement or misappropriation of the Licensed Trademarks now or hereafter owned by S&W. Licensee shall provide complete information, cooperation and assistance to S&W concerning each such infringement (including reasonable cooperation and assistance in any further investigation or legal action, such as joining as a party to any lawsuit brought by S&W). Upon learning of such infringement, S&W will have the right, but not the obligation, at its sole discretion and expense, to take such action as S&W considers necessary or appropriate to enforce S&W's rights, including legal action to suppress or eliminate such infringement or to settle any such dispute or action. S&W may also seek and recover all costs, expenses, and damages resulting from such infringement, including sums that might otherwise be recoverable by or due to Licensee by operation of law or otherwise, and Licensee shall have no right to share in any amounts recovered by S&W. Licensee shall have no authority to enforce the rights of S&W by itself, nor shall Licensee have any right to demand or control action by S&W to enforce such rights.

6. License Royalties.

6.1 Royalties. Licensee shall pay to S&W on a fiscal quarterly basis a 5% ongoing aggregate royalty based on Net Sales by Licensee or any Affiliate of Licensee of the Licensed Products within the Territory for Licensed Trademarks, provided that Licensee shall pay S&W a minimum quarterly royalty of $150,000.

6.2 Royalty Reports. Not later than thirty (30) days after the end of each fiscal quarter, Licensee shall deliver to S&W a report in a format to be approved in advance by S&W containing at least the following information:

(a) a detailed written accounting of Licensed Products sold or otherwise disposed of during the immediately preceding quarter in the Territory, the Net Sales for such quarter and the amount of royalties due for such quarter (the "Accounting Statement"), including a breakout of each type of Licensed Product sold by product segment, applicable country and customer type (e.g., Internet, Brick & Mortar, Catalog, etc.);

(b) a summary of the Licensed Products sold and royalties paid during the then-current Product Year;

(c) a certified statement by Licensee that the report is complete and accurate.

Notwithstanding the foregoing sentences, S&W reserves the right to require Licensee to provide additional financial reporting information as requested by S&W in its reasonable discretion.

6.3 Payment. Together with each quarterly royalty report, Licensee shall remit full and satisfactory payment of royalties due to S&W for the immediately preceding fiscal quarter not later than thirty (30) days after the end of such quarter. Such payments shall be made by wire transfer, corporate check (subject to collection), or other method approved by S&W, at the election of S&W. If there is a dispute as to an amount due, Licensee shall not delay payment on undisputed amounts pending resolution of the disputed amount. When overdue, such payments shall bear interest at an annual rate of ten percent (10%) (or such lower rate as may then be the highest rate legally available) from the time such payment is due until payment is received by S&W.

6.4 Taxes. Licensee shall withhold from any royalty payments pursuant to this Agreement any sums required to be withheld on behalf of S&W under the applicable tax laws of the Territory, provided, however, that Licensee

shall reasonably cooperate with S&W to obtain reduction or relief from any such withholding obligation. Licensee shall pay such sums as are required to be withheld to the appropriate tax authorities and shall furnish S&W with the official tax receipt or other appropriate evidence of payment issued by such authorities.

6.5 Payments Upon Termination. If this Agreement is terminated for any reason before all payments hereunder have been made, Licensee shall within thirty (30) days thereafter submit a report and pay to S&W any remaining unpaid royalties accrued during the period prior to such termination.

7. Records and Audit Rights.

Licensee shall keep complete, true and accurate records of all operations relating to its performance hereunder, payments, marketing related expenditures and Licensed Product quality standards and make such records available for inspection by Licensor upon Licensor's reasonable request.

8. Proprietary Rights.

The S&W Intellectual Property, and Licensed Trademarks (including all registrations and applications therefor and all goodwill associated therewith), are and will remain the property of S&W, solely and exclusively, and may be used by Licensee solely for the Licensed Products subject to all of the terms and conditions of this Agreement. Licensee acknowledges and agrees that it has not acquired, and shall not acquire (whether by operation of law, by this Agreement or otherwise), any right, title, interest or ownership in or to the S&W Intellectual Property or Licensed Trademarks or any part thereof (all of the foregoing collectively, "Proprietary Rights"). Licensee shall not register any S&W name or other S&W Trademarks, or any confusingly similar variation, as an internet domain name. Licensee may request that S&W register a domain name that uses the S&W name or other S&W Trademarks for use by Licensee during the term of, and in accordance with, this Agreement. Notwithstanding the foregoing, during the Term of this Agreement and any Sell-Off Period (defined further below), solely as set forth in Section 12.6, Licensee may use the S&W name or other S&W Trademarks at the end of a domain name solely for the purpose of identifying the location of the Licensed Products on a website. Licensee specifically acknowledges and agrees that S&W is the owner of all Proprietary Rights, including but not limited to copyright rights, in S&W Intellectual Property. Should any Proprietary Rights become vested in Licensee, Licensee hereby assigns any such Proprietary Rights to S&W at no cost. Licensee shall provide and execute all documents necessary, in S&W's sole discretion, to effectuate and record each such assignment. Licensee shall not, during the Term or at any time thereafter: (i) do anything that, in S&W's sole discretion, could in any way damage, injure or impair the validity, subsistence, or reputation of the Licensed Trademarks; (ii) use any mark, trade name, trade dress, logo, design or style that is confusingly similar to the Licensed Trademarks; or (iii) attack, dispute or challenge the ownership, validity or enforceability of the Licensed Trademarks, the validity of this Agreement, nor shall Licensee assist others in so doing. All use of the Licensed Trademarks and all goodwill and benefit arising from such use shall inure to the benefit of S&W, solely and exclusively. Without limiting any of the foregoing provisions regarding S&W's rights as to S&W Intellectual Property, during the Term of this Agreement, Licensee shall not sell, as a product not branded with an S&W Trademark, any products that are substantially similar to any Licensed Products.

9. Term; Termination.

9.1 Initial Term and Renewal Terms. This Agreement will commence on the Effective Date and, will continue in full force and effect for five (5) years from the Effective Date (the "Initial Term"), unless earlier terminated in accordance with this Section 9.

9.1.1. This Agreement shall automatically renew for a subsequent five-year term (the "First Renewal Term"), provided that if Licensee did not satisfy the performance metrics set forth on Schedule B hereto (the "Performance Metrics") for the Initial Term, S&W may provide written notice of nonrenewal for failure to meet

the Performance Metrics within 30 days following the end of the Initial Term and, following such notice, this Agreement shall not renew for a First Renewal Term but shall instead continue for a period of twelve (12) months from the last day of the Initial Term. After the First Renewal Term, the parties may agree in writing to one or more five-year renewal terms, provided, however, that unless the parties have so agreed to any such additional renewal terms, this Agreement shall continue on a month-to-month basis, and may be terminated by either party at any time by giving twelve (12) months' written notice to the other party.

9.1.2. In addition to the conditions on renewal set forth in Section 9.1.1, if either party wishes to modify the Royalty Rate, commencing on or after ten (10) years from the Effective Date, then not later than six (6) months prior to the expiration of the First Renewal Term, or of any subsequent five-year renewal term to which the parties may agree pursuant to Section 9.1.1, the parties shall engage in good faith discussions regarding such new Royalty Rate, and if the parties are unable to agree on a new Royalty Rate, the parties will engage an independent third party ("ITP") to set the new Royalty Rate based off the industry average rate.

Upon determination of such new Royalty Rate by the ITP, such Royalty Rate shall be the Royalty Rate under Section 6.1 of the Agreement, starting with the five-year renewal term as to which the modified rate was requested and continuing thereafter, provided, if either party does not agree with the rate determined by the ITP, such party may elect to not extend the Agreement and this Agreement shall not renew for such five-year renewal term, but shall instead continue for a period of twelve (12) months from the last day of the preceding renewal term at the same Royalty Rate of such preceding renewal term.

The cost of the ITP shall be paid by the Party that does not wish to extend the Agreement, or split equally between the parties if the Agreement is extended. For avoidance of doubt, the parties agree that the royalty rate adjustment is not a one-time event, and may be renegotiated at the end of each renewal after the First Renewal Term.

9.1.3 Notwithstanding the foregoing, S&W may terminate this Agreement and purchase the assets of the business line selling the Products (the "Business") at any time beginning three years from the Effective Date by paying Licensee a purchase price and termination fee equal to two (2) times the net revenues of Licensee from its sales of Licensed Products for the 12-month period preceding such termination date with an adjustment for net working capital of the Business as of the date of the closing as compared to the target working capital of the Business calculated using an average over the 12 month period preceding the date Licensor exercises its right to terminate and purchase the Business.

9.2 Termination for Cause. S&W or Licensee may terminate this Agreement for cause if the other party breaches any of its obligations under this Agreement and fails to cure such breach within thirty (30) days after receiving notice thereof from the non-breaching party, provided such 30-day period shall be extended, upon request by the breaching party that is approved in writing by the other party, such approval not to be unreasonably withheld, if such cure cannot reasonably be completed in 30 days as long as the breaching party is diligently pursuing such cure.

9.3 Termination Due to Insolvency. Unless expressly prohibited by Applicable Law, S&W may terminate this Agreement immediately for cause by providing notice to Licensee if Licensee: (a) commences or becomes the subject of any case or proceeding under the bankruptcy, insolvency or equivalent laws of any country in the Territory; (b) has appointed for it or for any substantial part of its property a court appointed receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official; (c) makes an assignment for the benefit of its creditors; (d) defaults on any obligation which is secured, in whole or in part, by a security interest in the Licensed Products; (e) fails generally to pay its debts as they become due; or (f) takes corporate action in furtherance of any of the foregoing (collectively, herein referred to as "Events of Insolvency"). Licensee shall immediately give S&W written notice of any Event of Insolvency.

9.4 No Rights After Term. Licensee understands and acknowledges that, with the exception of its right to sell Remaining Inventory during the Sell-Off Period under Section 9.6, no rights under this Agreement whatsoever shall extend to Licensee beyond the expiration or termination of this Agreement. Licensee shall not be entitled to any compensatory payment in connection with the expiration or termination of this Agreement for any reason.

9.5 Return of Property. Each party shall return to the other, promptly upon the expiration or termination of this Agreement, or at any other time when requested, any and all property of the other party (including, but not limited to, all Confidential Information and copies thereof); provided, however, that S&W may retain free of charge any items bearing the Licensed Trademarks, any samples supplied to it under this Agreement and any products supplied to it by Licensee.

9.6 Inventory Upon Termination or Expiration.

(a) Promptly following expiration or termination of this Agreement, Licensee shall notify S&W in writing detailing any inventory of Licensed Products remaining upon such expiration or termination (collectively, the “Remaining Inventory”). Licensee may sell-off (“Sell-Off”) to third parties all or any portion of the Remaining Inventory. The period for such sell-off (the “Sell-Off Period”) shall be the six (6) month period following the expiration or termination of this Agreement. Licensee’s proposed sell-off arrangements will be subject to S&W’s prior written approval, and shall be subject to Licensee’s payment of royalties at the percentage rate and on the schedule set forth in Sections 6.1 and 6.2, and compliance with all other restrictions herein on the use of the Licensed Trademarks.

(b) Upon expiration of the Sell-Off Period, such part of any Remaining Inventory that is not otherwise sold, up to a maximum of six months’ supply based on the rolling 12 months’ sales through the termination date, shall be purchased by S&W at Licensee’s reasonable cost thereof, and any Remaining Inventory that is not sold must be provided to S&W free of charge or at S&W’s sole option destroyed. Licensee shall make no claim against S&W in connection therewith.

9.7 Surviving Terms. The following terms shall survive termination or expiration of this Agreement: 1, 3.1, 4, 7, 8, 9.5, 9.6, 11, 12, 13, 14, 15 and any other terms, which are expressly, or by their nature are impliedly, intended to survive. Notwithstanding the foregoing, the provisions of Section 7 (Records and Audit Rights) shall terminate one (1) year following the end of the Sell-Off Period.

10. Marketing.

Licensee shall use its best efforts to promote and expand the supply of Licensed Products throughout the Territory. Licensee shall comply with S&W’s policies and procedures, as amended from time to time, and communicated in writing to Licensee with respect to intellectual property, marketing and promotional materials, and approvals. Licensee shall comply with S&W’s policies and procedures for marketing materials, or obtain S&W’s prior written approval, which shall not be unreasonably withheld, for any advertising, promotional, merchandising and other marketing materials for which Licensee is responsible pertaining to the Licensed Products, including all containers, packaging, labels, tags, advertisements, brochures and the like. Licensee shall, upon S&W’s request from time to time, provide copies of any such marketing materials to S&W. Licensee shall obtain, in writing, all necessary and applicable approvals in S&W’s chain of command as identified to Licensee from time to time.

11. Quality Control; Distribution; Consumer Inquiries.

11.1 Approval of Licensed Products. On at least an annual basis, or more frequently as necessary for the introduction of new Licensed Products during the year, Licensee shall obtain S&W’s prior written approval,

which shall not be unreasonably withheld, of all Licensed Products or any changes to Licensed Products. As requested by Licensor, Licensee will deliver to S&W at no cost for approval by S&W samples of each Licensed Product, and any material change thereto, prior to Licensee's production manufacturing, initial presentation, sale or other use of such Licensed Products, and shall otherwise comply with S&W product approval policies and procedures, as amended from time to time, and communicated in writing to Licensee. Licensee shall obtain, in writing, all necessary and applicable approvals in S&W's chain of command as identified to Licensee from time to time.

11.2 Product Standards. Licensee shall assure at all times that the Licensed Products: (a) are of a high quality standard consistent with the quality of S&W products and otherwise conform to specifications, performance standards and quality standards of Licensee's other premium positioned products; (b) conform to the samples submitted for approval described above, with modifications only as approved in writing by S&W; (c) are sourced, manufactured, labeled, distributed, marketed, advertised, promoted and sold in accordance with all Applicable Laws and any S&W codes of conduct or policies as the same may be modified, supplemented or superseded by S&W from time to time ("S&W Policies"); and (d) meet or exceed all government standards, Applicable Laws, manufacturing codes and the like. Licensee shall have and maintain a commercially reasonable quality assurance plan acceptable to S&W to assure that the Licensed Products conform to the foregoing requirements, which plan shall be made available for inspection by S&W upon its request.

11.3 Approval of Third Party Manufacturers/Suppliers. In no event will Licensee permit or engage any person or entity to manufacture or supply a Licensed Product or components thereof without first following all company policies and procedures relating to due diligence and approval of third-party manufacturers/suppliers. In any event, Licensee shall be fully responsible and liable for the acts and omissions of any manufacturer, whether or not approved by S&W.

11.4 Manufacturing; Supply Chain. S&W shall have the right to inspect and oversee components of Licensee's manufacturing and supply chain to the extent necessary to protect the Licensed Trademarks, provided that in lieu of identifying any third party supplier, Licensee shall provide S&W with information regarding how such supplier was selected and is measured, and such other information requested by S&W regarding the quality standards employed by such supplier, which information shall be reasonably satisfactory to S&W.

11.5. Distribution. Licensee shall not sell or distribute, and shall not permit any Affiliate of Licensee to sell or distribute, Licensed Products to any retailer or wholesaler outside the Channels of Distribution.

11.6. Consumer Inquiries. Licensee will at its sole cost and expense handle all product warranty and guarantee/satisfaction issues, response and compliance requirements, as well as all consumer inquiries or complaints relating in any way to any Licensed Product (collectively "Consumer Inquiries"). Licensee shall keep records of all Consumer Inquiries and shall put in place a quality assurance plan acceptable to S&W for detecting and tracking and resolving quality problems reported to it by consumers. If Licensee learns of any consumer injury or alleged injury relating to a Licensed Product, Licensee shall promptly notify the Legal Department at S&W. Licensee shall print on all packaging or packaging inserts for any Licensed Product contact information identifying the Licensee as the manufacturer or distributor (as the case may be) of the Licensed Product, including at least Licensee's company name, address and email address for consumer inquiries or complaints.

12. Representations, Warranties and Additional Covenants.

12.1 S&W Representations and Warranties. S&W represents and warrants to Licensee that: (a) it is authorized to enter into this Agreement; (b) it has the right to grant the rights and licenses granted hereunder; and (c) it has not made, and will not make, any commitments to others inconsistent with, or in derogation of, such rights, provided S&W makes no representations or warranties with respect to any Licensed Trademarks for use with any product outside of any jurisdiction in which and with respect to which such Licensed Trademark is registered.

12.2 Licensee General Representations and Warranties. Licensee represents and warrants to S&W that: (a) it is authorized to enter into this Agreement; (b) it has not made, and will not make, any commitments inconsistent with, or in derogation of, the rights granted in this Agreement; (c) by entering into and performing under this Agreement it is not, and shall not be, in conflict with any prior obligations to third parties; (d) the Licensed Products and all associated materials are, and shall be, free from any claims of infringement of any third party's proprietary or other intellectual property rights (including trade secret, patent, copyright and trademark rights); (e) the Licensed Products and all associated materials are, and shall be, free from defects in design, material and workmanship and are, and shall be, safe and suitable for their intended and foreseeable uses; (f) the Licensed Products and all associated materials are, and shall be, free from any claim of product liability; (g) the Licensed Products and all associated materials shall meet the requirements of all Applicable Laws in the Territory; and (h) Licensee will comply with all S&W Policies for which Licensee has been provided with written notification.

12.3 Licensee Compliance with Conflict Minerals Laws. Licensee shall ensure that it is able to provide to S&W upon request, information in sufficient detail (with certifications if requested), to enable S&W to timely comply with all of its diligence, disclosure and audit requirements under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and Rule 13p-1 and Form SD under the Securities Exchange Act of 1934, and any similar, applicable statutes and regulations, including due inquiry of Licensee's suppliers (and certifications by such suppliers) identifying conflict minerals (as defined in Section 1502(e)(4) of the Dodd-Frank Act) contained in each Licensed Product and the country of origin of such conflict minerals (or, following due inquiry, why such country of origin cannot be determined).

12.4. Licensee Compliance with Anti-Corruption/Anti-Bribery and Import/Export Control Laws. Licensee shall: (a) comply with all applicable laws and regulations prohibiting corrupt practices and/or bribery, including, but not limited to, the United States Foreign Corrupt Practices Act ("FCPA") and the United Kingdom Anti-Bribery Act; (b) comply with all applicable export and import laws and regulations; and (c) not directly or indirectly export, re-export, distribute or transfer any technology, Confidential Information or materials of any value to any nation, individual or entity that is prohibited or restricted by law or regulation, including, but not limited to, the U.S. Department of State International Traffic in Arms Regulations, the U.S. Department of Commerce Export Administration Regulations, the U.S. Treasury Office of Foreign Assets Control, and the U.S. Department of State's State Sponsors of Terrorism designation. Licensee shall provide S&W with such information and certifications as are from time to time reasonably requested by S&W regarding Licensee's compliance with all applicable company policies concerning anti-corruption/anti-bribery and/or import/export laws and regulations.

12.5 Compliance. Licensee shall comply with all Applicable Laws applicable to its sale and use of Licensed Products, and all industry practices, guidelines or other standards requested by S&W, including any standards relating to privacy and security of personal information and payment card information.

12.6 Website. During the term of this Agreement, (a) Licensor shall ensure that the website https://www.smith-wesson.com/ and any successor website that serves as Licensor's primary website during such time contains a link to Licensee's website and (b) Licensee shall have the non-exclusive right to use the website domains https://www.store.smith-wesson.com and https://www.accessories.tcarms.com , which Licensee acknowledges are owned by Licensor, in connection with Licensee's sale of Licensed Products.

13. Indemnification by Licensee; Insurance.

13.1 Licensee Indemnity. Licensee shall indemnify and hold S&W and its parent company, and their respective directors, officers, employees and agents (altogether the "S&W Parties") harmless from and against any and all claims arising out of or relating to: (a) any inaccuracy or breach of Licensee's representations, warranties, covenants or other obligations hereunder (including those set forth in Sections 12.2, 12.3, 12.4, and 12.5); (b) the design, development, manufacture, sourcing, marketing, advertising, promotion, merchandising, shipment, importing, exporting, distribution, sale or use of any Licensed Products or Promotional Materials (including any (i) product liability claims, (ii) claims of personal injury, death or property damage, (iii) claims made under any guaranties made or warranties given (in each case, whether express or implied) with respect to such Licensed Products, (iv) any claims of infringement or misappropriation of Intellectual Property of a third party except any claim arising out of the use of the Licensed Trademark or S&W's Intellectual Property, or (v) any similar or other claim based on strict liability, negligence or warranty (whether express or implied)); or (c) any use of the Licensed Trademarks by Licensee in a manner not authorized by this License Agreement, provided however Licensee shall not have any indemnification obligations hereunder to the extent arising out of S&W's breach of this agreement, gross negligence or intentional misconduct. Any settlement of any claim as a result of Licensee's indemnification obligations hereunder shall first require the consent of S&W, and must release S&W from all liability for any and all claims arising out of or relating to the matter that were or could have been asserted by the claimant/plaintiff.

13.2 S&W Indemnity. S&W shall indemnify and hold Licensee and its parent company, and their respective directors, officers, employees and agents harmless from and against any and all claims arising out of (a) any inaccuracy or breach of S&W's representations, warranties, covenants or other obligations hereunder, and (b) third party claims of infringement or misappropriation of a Licensed Trademark arising from use of a Licensed Trademark in a jurisdiction and with a Licensed Product in which and as to which such Licensed Trademark is registered, provided however S&W shall not have any indemnification obligations hereunder to the extent arising out of Licensee's breach of this agreement, gross negligence or intentional misconduct.

13.3 Third Party Claims. If either party seeks indemnification or damages (the "Indemnified Party") under this Agreement from the other party (the "Indemnifying Party") for any claim asserted, against such Indemnified Party by a third party (a "Third Party Claim"), the Indemnified Party shall, promptly upon gaining knowledge of such Third Party Claim, deliver to the Indemnifying Party notice (a "Claim Notice") of such Third Party Claim with sufficient detail as to why the Indemnifying Party is responsible for such Third Party Claim; provided, that a failure by the Indemnified Party to give such Claim Notice in the manner required pursuant to this Section 13.3 shall not limit or otherwise affect the obligations of the Indemnifying Party under this Agreement, except to the extent that such Indemnifying Party is actually prejudiced with respect to the rights available to the Indemnifying Party with respect to such Third Party Claims, and then only to the extent of any such actual prejudice. The Indemnifying Party shall have the right, at its sole option and expense, to appoint counsel of its choice, which must be reasonably satisfactory to the Indemnified Party, and to defend against, negotiate, settle or otherwise deal with such Third Party Claim in lieu of the Indemnified Party defending or settling such claim, provided the Indemnifying Party shall not have the right to defend such Third Party Claim if such Third-Party Claim seeks relief other than the payment of monetary damages or seeks the imposition of a consent order, injunction or decree that would materially restrict the future activity or conduct of the Indemnified Party, or is a criminal Legal proceeding or alleges, or seeks a finding or admission of a violation of Law or violation of the rights of any person by the Indemnified Party.

13.4 Insurance.

(a) At all times during the Term of this Agreement and for a period of three years thereafter, Licensee shall procure and maintain, at its sole cost and expense, commercial general liability insurance with limits not less than Two Million Dollars ($2,000,000) per occurrence and Five Million Dollars ($5,000,000) in the aggregate, including bodily injury and property damage and products and completed operations and advertising liability, which policy will include contractual liability coverage insuring the activities of Licensee under this Agreement.

(b) All insurance policies required pursuant to Section 13.2 must:

(i) be issued by insurance companies reasonably acceptable to Licensor;

(ii) provide that such insurance carriers give Licensor at least 30 days' prior written notice of cancellation or non-renewal of policy coverage; provided that, prior to such cancellation, Licensee has new insurance policies in place that meet the requirements of Section 13.2;

(iii) waive any right of subrogation of the insurers against Licensor or any of its Affiliates;

(iv) provide that such insurance be primary insurance and any similar insurance in the name of and/or for the benefit of Licensor is excess and non-contributory; and

(v) name Licensor and its Affiliates, including, in each case, all successors and permitted assigns, as additional insureds.

(c) Licensee shall provide Licensor with copies of the certificates of insurance and policy endorsements required by this Section 13.4 upon the written request of Licensor, and shall not do anything to invalidate such insurance.

14. Confidential Information.

14.1 Confidentiality and Non-Disclosure. The parties acknowledge that during the course of their performance under this Agreement, each party may learn Confidential Information of the other party. Each party agrees to take reasonable steps to protect such Confidential Information and further agrees that it shall not: (a) use such Confidential Information except as required in the normal and proper course of performing under this Agreement; (b) disclose such Confidential Information to a third party; or (c) allow a third party access to such Confidential Information (except as may otherwise be required by law) without, in each case, obtaining the prior written approval of the other party, provided, however, that such restrictions shall not apply to Confidential Information which a party has requested be subject to a confidentiality order but nonetheless is required to be revealed to an adjudicating body in the course of litigation. All Confidential Information is, and shall remain, the property of the party which supplied it. Each party shall take reasonable steps to mark its Confidential Information which is in written form with appropriate legends, provided, however, that the failure so to mark such Confidential Information shall not relieve the other party of its obligations hereunder.

14.2 Prohibited Use of S&W's Confidential Information. Under no circumstances shall Licensee: (a) use S&W Confidential Information in connection with products outside of the scope of Licensee's business of manufacturing, selling and sourcing firearm accessories, or that are not Licensed Products; or (b) disclose S&W Confidential Information to, or allow access to S&W Confidential Information by, anyone not directly associated with the design, development or manufacture of Licensed Products.

15. Miscellaneous.

15.1 Recalls. Licensee shall immediately notify S&W in the event of any product defect or recall considerations or deliberations concerning a Licensed Product. If, at any time, S&W determines that any Licensed Product sold by Licensee is defective, unsafe or otherwise harmful or potentially harmful to consumers or S&W, S&W shall have the right (but shall not be obligated) to require Licensee to recall such Licensed Product, provided, however, that such recall (or failure so to recall) shall not relieve Licensee of any obligations hereunder. The type and method of recall shall be subject to S&W's approval. Licensee shall bear any and all costs related to any recall of Licensed Products, whether such recall is voluntary or required by S&W or any governmental authority. Licensee shall have and maintain an adequate and comprehensive lot traceability program to ensure recall effectiveness.

15.2 Relationship of the Parties. Neither Licensee nor S&W shall be construed to be the agent of the other in any respect. The parties have entered into this Agreement as independent contractors only, and nothing herein shall be construed to place the parties in the relationship of partners, joint venturers, agents or legal representatives. Neither Licensee nor S&W will have the authority to obligate or bind the other in any manner as to any third party. Nothing contained herein shall be construed to restrict Licensee's ability to set its prices with respect to unaffiliated third parties.

15.3 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter and, as of its Effective Date, supersedes all prior agreements, understandings, commitments, negotiations and discussions with respect thereto, whether oral or written.

15.4 No Amendment. This Agreement may not be amended or modified in any respect, except upon mutual written agreement of the parties.

15.5 Waiver. The failure of any party to insist upon strict adherence to any provision of this Agreement on any occasion shall not be considered a waiver of such party's right to insist upon strict adherence to such provision thereafter or to any other provision of this Agreement in any instance. Any waiver shall be in writing signed by the party against whom such waiver is sought to be enforced.

15.6 Sublicensing and Assignment. This Agreement and the rights and licenses granted to Licensee are personal to Licensee. Licensee shall not sublicense any of the Licensed Trademarks or assign or transfer any of its rights or delegate any of its obligations under this Agreement without the prior written consent of S&W. S&W shall not unreasonably withhold its consent to a proposed sublicense or assignment by Licensee to an Affiliate of Licensee, except S&W may, in its sole discretion, withhold any consent to any such proposed sublicense or assignment following a change of Control of Licensee or of any Affiliate of Licensee. Any attempted sublicense, assignment, transfer or delegation in violation of this Section 15.6 or by virtue of the operation of law shall be null and void and of no effect. This Agreement shall be binding upon, and shall inure to the benefit of, the parties' respective successors and permitted assigns. For purposes of this Section 15.6, a "transfer" shall include the following actions by Licensee (whether effected in a single transaction or in a series of related transactions, and whether effected directly or indirectly): (a) the sale or other disposition of all or substantially all of Licensee's business or assets (except for "ordinary course" inventory sales); (b) the transfer of effective voting or other business Control of Licensee; or (c) any other change of Control of Licensee.

15.7 Severability; Reformation. The provisions of this Agreement shall be severable. If a court of competent jurisdiction shall declare any provision of this Agreement invalid, illegally or unenforceable, the other provisions hereof shall remain in full force and effect, and such court shall be empowered to modify, if possible, such invalid, illegal or unenforceable provision to the extent necessary to make it valid and enforceable to the maximum extent possible.

15.8 Equitable Relief. Licensee acknowledges and agrees that: (a) its failure to perform its obligations under this Agreement and its breach of any provision hereof, in any instance, shall result in immediate and irreparable

damage to S&W; (b) no adequate remedy at law exists for such damage; and (c) in the event of such failure or breach, S&W shall be entitled to equitable relief by way of temporary, preliminary and permanent injunctions, and such other and further relief as any court of competent jurisdiction may deem just and proper, in addition to, and without prejudice to, any other relief whether in law or in equity to which S&W may be entitled.

15.9 Governing Law; Jurisdiction and Venue. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts applicable to agreements made and to be performed entirely therein. Licensee hereby consents to the exclusive jurisdiction of the courts of the Commonwealth of Massachusetts and of the United States District Court for the District of Massachusetts for resolution of all claims, differences and disputes which the parties may have regarding, or which arise under, this Agreement. Any judgment or other decision of any such court shall be enforceable, without further proceedings, against the named party anywhere in the world where such party is located, does business or has assets.

15.10 Waiver of Right to Jury Trial. EACH OF THE PARTIES HEREBY WAIVES ITS RIGHTS TO A TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF, THIS AGREEMENT OR THE VALIDITY, INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN.

15.11 Notices. Materials required to be delivered to any party hereunder shall be delivered to the address given below for such party. Unless otherwise expressly stated in this Agreement, any notice, accounting statement, consent, approval or other communication under this Agreement shall be in writing and shall be considered given: (a) upon personal delivery, (b) two (2) business days after being deposited with an “overnight” courier or “express mail” service, or (c) seven (7) business days after being mailed by registered or certified first class mail, return receipt requested, in each case addressed to the notified party at its address set forth below (or at such other address as such party may specify by notice to the others delivered in accordance with this Section 15):

If to S&W:
Smith & Wesson Inc.
2100 Roosevelt Ave.
Springfield, MA 01104
Attn: President

With a copy to:
Smith & Wesson Inc.
2100 Roosevelt Ave.
Springfield, MA 01104
Attn: Legal Department

If to Licensee:
AOB Products Company
1800 North Route Z
Columbia, MO 65202
Attn: President

With a copy to:
TD Bank, N.A.
2 West Main St., 2nd Floor
Waterbury, CT 06702
Attention: AOB Products Acct Manager

15.12 Offer and Acceptance. This Agreement will not be effective unless and until it is fully executed by authorized officers of each of the parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the Effective Date.

Smith & Wesson Inc.		**AOB Products Company**	
By:	*/s/ Mark P. Smith*	By:	*/s/ Brian D. Murphy*
Name:	Mark P. Smith	Name:	Brian D. Murphy
Title:	President	Title:	President

Exhibit 10.125

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (the "Sublease") is made and entered into effective as of August 24, 2020 (the "Effective Date"), by and between SMITH & WESSON SALES COMPANY (formerly known as Smith & Wesson Corp.), a Delaware corporation ("Sublandlord"), and AMERICAN OUTDOOR BRANDS, INC., a Delaware corporation ("Subtenant").

RECITALS:

WHEREAS, Sublandlord and RCS – S&W FACILITY, LLC ("Landlord"), successor by assignment to Ryan Boone County, LLC, are parties to that certain Lease Agreement dated October 25, 2018, as amended by that certain First Amendment to Lease Agreement dated October 25, 2018, and as further amended by that certain Second Amendment to Lease Agreement dated January 31, 2020 (collectively, the "Master Lease"); and

WHEREAS, Sublandlord leases the improved real property located in Boone County, Missouri and described on **Exhibit A** from Landlord under the terms of the Master Lease, including, but not limited to, the approximately 633,020 square foot office and warehouse building and other improvements forming a part thereof (collective, the "Project"); and

WHEREAS, Subtenant desires to sublease from Sublandlord certain office space within said building containing approximately 43,402 square feet and certain warehouse space within said building containing approximately 317,813 square feet, which space is more particularly described on **Exhibit B** (collectively, the "Subleased Premises"); and

WHEREAS, Sublandlord has agreed to sublease the Subleased Premises to Subtenant upon the terms and conditions set forth in this Sublease.

NOW, THEREFORE, for the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sublandlord and Subtenant agree as follows:

1. Defined Terms. For purposes of this Sublease, the following terms shall have the meanings ascribed to them in this section. In addition, any term used in this Sublease that is not defined herein but is defined in the Master Lease shall have the meaning ascribed to it in the Master Lease.

"Affiliate" means, with respect to any party (the "Designated Party"), (A) any Person that, directly or indirectly, controls, is controlled by, or is under common control with the Designated Party, (B) any Person that, directly or indirectly, owns fifty percent (50%) or more of the voting interests or financial interests of the Designated Party, and (C) any Person in which the Designated Party or a Person described in subparagraph (B), directly or indirectly, owns fifty percent (50%) or more of the voting interests or financial interests. As used in the preceding sentence, the terms "control", "controlled by" and "under common control with" mean the possession of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise. Notwithstanding anything to the contrary, Subtenant shall not be considered an Affiliate of Sublandlord for purposes of this Sublease and Sublandlord shall not be considered an Affiliate of Subtenant for purposes of this Sublease.

"Alterations" means alterations, additions, changes and improvements to the Subleased Premises, excluding maintenance, repairs and replacements (with substantially similar items).

"Applicable Laws" means all applicable governmental laws, statutes, codes, ordinances, rules, regulations, rulings, orders and decrees, now in force or hereafter enacted, including, without limitation, the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq., or any successor thereto.

"Base Rent" shall have the meaning ascribed to it in Section 4(a).

"Building" means the building forming a part of the Project, as the same is modified, from time to time.

"Business Days" means Monday through Friday, excluding holidays on which national banking associations are authorized to be closed in Boone County, Missouri.

"Common Areas" means the Shared Building Areas and the Project Common Areas. "County" means Boone County, Missouri.

"Disqualified Person" means any Person who is engaged or whose Affiliate is engaged in the manufacture, assembly, sale, marketing or distribution of firearms, munitions and/or related accessories.

"Event of Force Majeure" means any strike, lockout, labor dispute, embargo, flood, earthquake, storm, lightning, fire, casualty, epidemic, pandemic, act of God, war, national emergency, civil disturbance or disobedience, riot, sabotage, terrorism, restraint by court order, unusually severe weather condition not reasonably anticipatable, or other occurrence beyond the reasonable control of the party in question; provided, however, Sublandlord's or Subtenant's lack of funds shall not constitute an Event of Force Majeure.

"Hazardous Substances" means all hazardous or toxic substances, materials, wastes, pollutants and contaminants that are listed, defined or regulated under Applicable Laws pertaining to the environment, human health or safety, including, but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C.A. §§ 9601 to 9675, the Hazardous Materials Transportation Authorization Act of 1994, 49 U.S.C.A. § 5101 et seq., the Resource Conservation and Recovery Act , 42 U.S.C.A. §§ 6921 to 6939e, the Federal Water Pollution Control Act, 33 U.S.C.A. §§ 1251 to 1387, the Clean Air Act, 42 U.S.C.A. §§ 7401 to 7671q, the Emergency Planning and Community Right To Know Act, 42 U.S.C.A. §§ 11001 to 11050, the Toxic Substances Control Act, 15 U.S.C.A. §§ 2601 to 2692, the Solid Waste Disposal Act, 42 U.S.C.A. §§ 6901 to 6992k, the Oil Pollution Act, 33

U.S.C.A. §§ 2701 to 2761, and the environmental laws of the State of Missouri, each as amended.

"Improvements" means the buildings, structures and other improvements forming a part of the Project, as the same are modified, from time to time.

"Incentive Agreements" means the agreements granting or establishing certain incentives in connection with the Project that are described on **Exhibit C**, as the same are amended, modified or supplemented, from time to time.

"Mechanical Systems" means the mechanical, electrical, plumbing, heating, air conditioning, elevator, sprinkler, fire protection and utility systems forming a part of the Project.

"Monetary Lien" means any monetary claim, judgment, mortgage, deed of trust, deed to secure debt, security interest or other similar encumbrance.

"Net Worth" means, with respect to any Person, the difference between such Person's total assets and its total liabilities, excluding the amount of any negative goodwill and calculated in accordance with generally accepted accounting principles or other reputable accounting principles.

"Permitted Exceptions" means (A) the matters described on **Exhibit D**, (B) access and utility easements encumbering the Project entered into by Landlord or Sublandlord in accordance with the Master Lease, (C) the Incentive Agreements, and (D) the lien for real property taxes that are not yet delinquent.

“Permitted Uses” means (A) office uses, general administration, customer service, warehousing, product assembly, distribution, and fulfillment of customer orders; (B) product development in a manner substantially similar to Subtenant’s product development activities at the Project immediately prior to the Effective Date, and (C) activities incidental to such uses.

“Person” means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated organization, association, corporation, institution or entity, including, without limitation, any governmental body, agency or department.

“PILOT Payments” means the payments in lieu of property taxes to be made with respect to the Project under the Incentive Agreements, including, but not limited to, any annual fees payable to the County or any department, official, treasurer, assessor, clerk, appraiser, accountant or legal counsel thereof and any fees payable to the Bond Trustee under the Incentive Agreements.

“Project” shall have the meaning ascribed to it in the second (2nd) recital above.

“Project Common Areas” means the areas, facilities, systems and equipment other than the Shared Building Areas that Sublandlord makes available for the general use or benefit of the tenants, subtenants and other occupants of the Project, as the same are modified, reconfigured, expanded or removed by Sublandlord, including, but not limited to, (A) Mechanical Systems generally serving the tenants, subtenants and other occupants of the Building, but excluding Mechanical Systems that exclusively serve the Shared Buildings Areas, the Subleased Premises or Sublandlord’s Retained Space, and (B) elevators, sidewalks, driveways, parking areas, curbing, trash enclosures, dumpsters, storm water detention and retention facilities, sewage treatment facilities, back-up generators, water towers, outdoor seating areas, retaining walls, landscaping, irrigation systems, and signs.

“Project Insurance Costs” means (i) all costs incurred by Sublandlord to maintain insurance covering the Project, including, without limitation, the Premises Property Insurance required under the Master Lease and all liability insurance that Sublandlord deems necessary or desirable in connection with the Common Areas or its operation thereof, (ii) all insurance costs that Sublandlord is required to pay to Landlord under the Master Lease, and (iii) all amounts paid by Sublandlord on account of loss and damage to or at the Project covered by such insurance that are within the deductibles thereof, including, without limitation, personal injury, death and property damage. The Project Insurance Costs shall not include the cost of Sublandlord’s commercial general liability insurance covering Sublandlord’s activities or operations within the Sublandlord’s Retained Space or property insurance covering Sublandlord’s personal property located in the Sublandlord’s Retained Space, but may cover any personal property of Sublandlord located in the Common Areas.

“Project Operating Costs” means all costs and expenses incurred by Sublandlord in connection with the operation, management, maintenance, repair, replacement and equipping of the Project, excluding Project Insurance Costs, Project Property Taxes and Shared Building Area Costs. Without limiting the generality of the foregoing, Project Operating Costs shall include: (A) the cost of operating, maintaining, repairing, replacing, lighting, repaving, striping, cleaning and painting the Project Common Areas, (B) management fees, (C) the cost of installing and maintaining common signage, (D) amounts incurred to maintain, repair and replace Mechanical Systems and other facilities that generally serve the Project, the Building or the Common Areas, but excluding Mechanical Systems and other facilities that exclusively serve the Shared Building Areas, the Subleased Premises or the Sublandlord’s Retained Space, (E) the costs incurred by Sublandlord to maintain the roof of the Building, (F) personnel costs (e.g. salaries, benefit costs and payroll taxes) for employees who devote all or substantially all of their time to the operation, management, maintenance, repair, replacement and/or equipping of the Common Areas, excluding any such costs included in Shared Building Area Costs, (G) the cost of services and supplies that Sublandlord furnishes generally to tenants, subtenants and other occupants of the Building or to the Common Areas, excluding any such costs included in Shared Building Area Costs, (H) the cost of utilities

furnished to the Project that are not separately metered or sub-metered, (I) the rental charges for machinery and equipment used in connection with the operation, management, maintenance, repair, replacement or equipping of the Common Areas, excluding any such costs included in Shared Building Area Costs, (J) accounting, legal and other professional fees, (K) charges for landscape maintenance and snow and ice removal, (L) the cost of seasonal or holiday decorations, excluding any such cost included in Shared Building Area Costs, and (M) trash removal costs if provided by Sublandlord.

"Project Property Taxes" means (A) all real property taxes, ad valorem taxes, and assessments (general and special, public and private) levied against or imposed upon the Project; (B) all governmental fees and charges (including, without limitation, permit fees and storm water charges) levied against or imposed upon the Project, but excluding any governmental fees or charges due as a result of or in connection with the business operations of any tenant or occupant of the Building, (C) personal property taxes levied or imposed on any furniture, trade fixtures, equipment and other personal property belonging to Sublandlord that is located in the Common Areas or that is used by Sublandlord in connection with the operation, management, maintenance, repair or replacement of the Common Areas, and (D) PILOT Payments.

"Rent" means the Base Rent, additional rent and other sums that Subtenant is expressly required to pay Sublandlord under this Sublease.

"Rent Adjustment Dates" means each and every December 1 during the Term.

"Shared Building Area Costs" means all costs and expenses incurred by Sublandlord in connection with the operation, management, maintenance, repair, replacement and equipping of the Shared Building Areas, excluding Project Insurance Costs and Project Property Taxes. Without limiting the generality of the foregoing, Shared Building Area Costs shall include: (A) the cost of operating, maintaining, repairing, replacing, lighting, cleaning and painting the Shared Building Areas and any facilities and systems exclusively serving the same, including, without limitation, Mechanical Systems exclusively serving the Shared Building Areas, (B) the cost of separately metered or sub-metered utilities furnished to the Shared Building Areas, (C) personnel costs (e.g. salaries, benefits and payroll taxes) for employees who devote all or substantially all of their time to the operation, management, maintenance, repairs, replacing and/or equipping of the Shared Building Areas, (D) the cost of supplies and services that Sublandlord furnishes to the Shared Building Areas, (E) rental charges for machinery and equipment located in or exclusively serving the Shared Building Areas, (F) accounting, legal and other professional fees, and (G) the cost of reasonable seasonal or holiday decorations.

"Shared Building Areas" means the fitness facility, café, lockers, bathrooms, showers, server room, IT office, two (2) training rooms, one (1) shared conference room, one (1) shared storage area, reception area, lobby, landing area, corridors, hallways, security line, and related areas shown on **Exhibit E**, including, without limitation, all furniture, trade fixtures, equipment and other personal property that Sublandlord places in such areas for the general use or benefit the tenants, subtenants and other occupants of the Project.

"Sublandlord Exclusive Area" shall have the meaning ascribed to it in Section 6(d). "Sublandlord's Retained Space" means the space described on **Exhibit F,** which

Sublandlord continues to lease and exclusively occupy as of the Effective Date.

"Subleased Premises" shall have the meaning ascribed to it in the third (3rd) recital above. The Subleased Premises shall not include any rights in or to the roof or exterior of the Building or the land lying beneath the Subleased Premises.

"Subtenant Exclusive Area" shall have the meaning ascribed to it in Section 6(d).

"Subtenant's SBA Share" means, with respect to each calendar year during the Term, the greater of (i) sixty-one and three-tenths percent (61.3%), or (ii) the percentage equivalent of a fraction whose numerator is the average daily number of employees of Subtenant working at the Project during the immediately prior calendar year and whose denominator is the average daily number of employees of Subtenant, Sublandlord and any other tenant or occupant working at the Project during the immediately calendar year.

"Subtenant's POC Share" means fifty-nine percent (59%).

"Subtenant's PIT Share" means sixty-one and three-tenths percent (61.3%).

"Taking" means a taking by condemnation or eminent domain or a conveyance in lieu of such a taking.

"Term" means the term of this Sublease, as the same is extended or early terminated pursuant to the provisions hereof or any other written agreement entered into by Sublandlord and Subtenant.

2. Subleased Premises.

(a) Demise. Sublandlord hereby subleases the Subleased Premises to Subtenant during the Term, and Subtenant hereby subleases the Subleased Premises from Sublandlord during the Term, upon the terms and conditions set forth in this Sublease. Subtenant shall have access to the Subleased Premises and Subtenant Exclusive Areas twenty-four (24) hours per day, seven (7) days per week, throughout the Term, subject to the reasonable security controls, regulations and procedures established by Sublandlord for the Project, from time to time.

(b) Disclaimer. Except as otherwise expressly provided herein, Subtenant acknowledges and agrees that: (i) Sublandlord has not made, is not making and specifically disclaims any representation, warranty, guarantee or assurance to Subtenant regarding the Subleased Premises, the Common Areas or the Project, express or implied, including, without limitation, any representation, warranty, guaranty or assurance regarding title, physical condition, value, suitability, economic prospects, traffic flow, profit potential, compliance with Applicable Laws, zoning, environmental matters, Hazardous Substances, mold or mildew; (ii) the Subleased Premises are being leased to Subtenant in their present state and condition, "AS IS - WHERE IS" and with all faults; and (iii) Subtenant is responsible for all costs associated with placing the Subleased Premises in a condition fit for its use thereof, including, without limitation, the cost of all repairs, replacements and Alterations required to cause the Subleased Premises to comply with Applicable Laws.

3. Term. The term of this Sublease (the “Sublease Term”) shall commence on Effective Date and expire on December 31, 2038, unless earlier terminated or extended in accordance with the terms hereof. Notwithstanding anything to the contrary contained in this Sublease, if the Master Lease is terminated pursuant to the terms thereof, this Sublease shall terminate effective as of the date the Master Lease is so terminated; provided, the foregoing shall not be deemed to modify, limit or reduce the liability of Sublandlord or Subtenant, as applicable, as a result of any termination of the Master Lease due to or as a result of its default under this Sublease.

4. Rent.

(a) Base Rent. Throughout the Term, Subtenant shall pay Sublandlord base rent (the “Base Rent”) for the Subleased Premises in accordance with the terms of this section. Subject to the other terms hereof, the Base Rent shall be paid in equal monthly installments, in advance, with the first monthly installment of Base Rent being due ten (10) Business Days after the Effective Date and with subsequent monthly installments of Base Rent being due on the first (1st) day of each month thereafter during the Term. The monthly installment of Base Rent shall be prorated for any partial month during the Term. The Base Rent initially shall be One Million Eight Hundred Eighteen Thousand Seven Hundred Forty-Three and 04/100 Dollars ($1,818,743.04) per annum, payable in equal monthly installments of $151,561.92 per month. The Base Rent shall be subject to adjustment as expressly provided in this Sublease. On each Rent Adjustment Date during the Term, the Base Rent shall be increased by one and seventy-five hundredths percent (1.75%).

(b) Additional Rent. Subtenant agrees to pay Sublandlord of the following amounts (collectively, the “Additional Rent”): (i) Subtenant’s SBA Share of the Shared Building Area Costs allocable to each calendar year during the Term, prorated for any calendar year falling partially within the Term; (ii) Subtenant’s POC Share of the Project Operating Costs allocable to each calendar year during the Term, prorated for any calendar year falling partially within the Term; and (iii) Subtenant’s PIT Share of the Project Insurance Costs and Project Property Taxes allocable to each calendar year during the Term, prorated for any calendar year falling partially within the Term, subject to Section 5(e). Subtenant shall pay one-twelfth (1/12th) of Sublandlord’s reasonable estimate of the Additional Rent for each calendar year on or before the first (1st) day of each month during such calendar year. Following the end of each calendar year within the Term, Sublandlord shall furnish Subtenant with a final statement (the “Expense Statement”) showing the Shared Building Area Costs, Project Operating Costs, Project Insurance Costs and Project Property Taxes during such year and calculating the Additional Rent for such year. Notwithstanding anything to the contrary contained herein, if Sublandlord fails to charge Subtenant for any amount that may be included in Shared Building Area Costs, Project Operating Costs, Project Insurance Costs or Project Property Taxes within one (1) year after the end of the calendar year in which Sublandlord paid such amount, then Sublandlord shall cease to have the right to charge Subtenant for its share of such amount under this Section 4(b). If the estimated payments made by Subtenant pursuant to this section are not sufficient to cover the actual amount of the Additional Rent for any calendar year, then Subtenant shall pay Sublandlord the deficiency within thirty (30) days after Subtenant’s receipt of the Expense Statement for such year. If the estimated payments made by Subtenant pursuant to this section exceed the actual amount of the Additional Rent for any calendar year, then the excess shall be credited against the Rent next coming due after Subtenant’s receipt of the Expense Statement for such year; provided, any such excess existing at the end of the Term shall be refunded to Subtenant within thirty (30) days thereafter, except if Subtenant is in default hereunder, Sublandlord shall not be required to refund such excess until the default is cured by Subtenant.

Within one hundred eighty (180) days after its receipt of any Expense Statement, Subtenant or its authorized representatives may review Sublandlord’s records related to the Additional Rent detailed in such Expense Statement; provided such review shall be conducted at Sublandlord’s offices during normal business hours and Subtenant shall schedule such review at a time reasonably acceptable to Sublandlord. If any such review reveals that Subtenant has paid Sublandlord more than the Additional Rent for any year

due under this section (an "Expense Overpayment"), then (i) Subtenant shall notify Sublandlord, in writing, of the Expense Overpayment within thirty (30) days after its completion of such review, and (ii) Sublandlord shall promptly refund the Expense Overpayment to Subtenant following its receipt of written notice thereof, excluding any amount that Sublandlord disputes. If any such review reveals an underpayment of the Additional Rent owed by Subtenant under this section for any year (an "Expense Underpayment"), then Subtenant shall pay to Sublandlord the Expense Underpayment within thirty (30) days after completion of such review. If Subtenant engages a third party to review any of Sublandlord's records related to the Additional Rent, such third party must execute a confidentiality agreement, in form and substance reasonably acceptable to Sublandlord, prior to conducting any such review. Should Sublandlord reasonably dispute the results of any such review, the parties shall work in good faith to resolve such dispute for a period of thirty (30) days. Subtenant shall not use any person or entity to inspect, review or audit Sublandlord's records related to Additional Rent whose fee is based, in whole or in part, on the results of such inspection, review or audit. Notwithstanding anything to the contrary contained herein, if Subtenant does not review Sublandlord's records related to any Additional Rent within the one hundred eighty (180) day period provided under this section or Subtenant does not notify Sublandlord, in writing, of an Expense Overpayment within the period required under this section, then Subtenant shall cease to have any right to review such records or receive a refund of such Expense Overpayment.

(c) Late Charges. If Subtenant fails to pay any installment of Rent due under this Sublease within five (5) days after the same is due, then (i) Subtenant shall pay Sublandlord a late charge equal to five percent (5%) of such installment for the purposes of defraying Sublandlord's administrative expenses relative to handling such overdue payment; and (ii) such installment shall bear interest from the date due until paid at the lesser of ten percent (10%) per annum or the maximum rate permitted under Applicable Laws (the "Default Rate"); provided, no such late fee or interest shall be due with respect to the first (1st) late installment of Rent during any twelve (12) month period so long as Subtenant pays such late installments of Rent to Sublandlord within ten (10) days after Sublandlord gives Subtenant written notice thereof. The parties agree that the provisions of this section are reasonable and shall not be deemed (i) a consent by Sublandlord to late payments, (ii) a penalty, (iii) a waiver of Sublandlord's right to insist on the timely payment of Rent, or (iv) a waiver or limitation of the rights and remedies available to Sublandlord on account of the late payment of any Rent.

(d) Payment. Except as otherwise expressly provided herein, all Rent shall be paid by Subtenant to Sublandlord without deduction, demand, notice, offset or abatement, in U.S. Dollars. Subtenant shall deliver all Rent to Sublandlord at the address specified in Section 22 or such other place as Sublandlord may designate to Subtenant by written notice. Sublandlord may, at its option, require that Subtenant pay the Rent by electronic funds transfer to such account as Sublandlord may designate to Subtenant by written notice.

(e) Rental Taxes. If, at any time during the Term, (i) a tax or assessment is levied directly on any of the Rent, including, without limitation, any sale tax, or (ii) a tax or assessment, other than a general income tax, is imposed on Sublandlord that is based on the Rent, then Subtenant shall reimburse Sublandlord for such tax or assessment, from time to time, within thirty (30) days after Sublandlord's written demand therefor.

5. Use and Operation.

(a) Use. Subtenant shall have the right to use the Subleased Premises for the Permitted Uses. Subtenant shall not use the Subleased Premises for any purpose other than the Permitted Uses, unless Subtenant obtains Sublandlord's prior written consent, which consent shall not be unreasonably withheld, qualified or delayed. If Subtenant desires to use the Subleased Premises for any purpose of other than the Permitted Uses, Sublandlord may require that Subtenant obtain the Landlord's prior written consent. Subtenant shall conduct its operations and activities on the Subleased Premises in material compliance with all Applicable Laws. Subtenant shall indemnify, defend and hold harmless Landlord and Sublandlord from

and against any third-party claims and associated lawsuits, governmental actions, obligations, liabilities, damages, costs and expenses (including, without limitation, court costs, litigation expenses and attorneys' fees) caused by Subtenant's failure to conduct its operations and activities at the Subleased Premises in compliance with Applicable Laws. Subtenant shall have the right to discontinue its operations in the Subleased Premises, in whole or in part, at any time Subtenant determines appropriate, in its sole and absolute discretion. Nothing contained in this Sublease shall be deemed to require Subtenant to use or occupy the Subleased Premises, and Subtenant's vacation of the Subleased Premises or failure to use or occupy the Subleased Premises shall not constitute a default hereunder. Notwithstanding Subtenant's election to discontinue its operations at the Subleased Premises, Subtenant shall comply with all of the terms of this Sublease, Subtenant shall not cancel electric or water service to the Subleased Premises, and the Subleased Premises shall continue to be fully heated and cooled as if the same were fully occupied.

(b) No Waste. Subtenant shall not commit or allow any waste to be committed with respect to any portion of the Subleased Premises by Subtenant or any of its employees, agents, subtenants, contractors, representatives, guests or invitees.

(c) Hazardous Substances. Subtenant may store, use, handle and generate Hazardous Substances at the Subleased Premises in connection with the Permitted Uses in commercial quantities normally associated therewith, in accordance with Subtenant's practices immediately prior to the Effective Date, and in compliance with Applicable Laws. During the Term, Subtenant shall be responsible for disposing of all Hazardous Substances generated by Subtenant's operations at the Subleased Premises (including, without limitation, the operations of its employees, Affiliates, contractors, subtenants and licensees operations at the Subleased Premises), at Subtenant's expense. Subtenant shall comply with all Applicable Laws in connection with Subtenant's storage, use, handling and generation of Hazardous Substances at the Subleased Premises. Upon the expiration or earlier termination of this Sublease or Subtenant's right to possession of the Subleased Premises, Subtenant shall remove all Hazardous Substances being kept on the Subleased Premises by Subtenant, its employees, Affiliates, contractors, subtenants and licensees, in accordance with Applicable Laws. Subtenant shall indemnify, defend and hold harmless Sublandlord and Landlord from and against all third-party claims and associated lawsuits, governmental actions, obligations, liabilities, costs and expenses (including, but not limited to, court costs, reasonable attorneys' fees and remediation costs) caused by Subtenant's or any of its employees, agents, subtenants, contractors, representatives, guests or invitees use, generation, handling, storage, or release of any Hazardous Substances on, under or about the Subleased Premises or the Project during the Term in violation of Applicable Laws (any such release being referred to as "Subtenant Contamination"); provided, Subtenant Contamination shall not include any such release caused by Sublandlord or any of Sublandlord's employees, agents, contractors or representatives. Subtenant's indemnification obligations in this section shall include the obligation to defend Sublandlord and Landlord, with counsel reasonably satisfactory to each of them, in any proceedings, all at Subtenant's expense. Subtenant's indemnification obligations under this section shall survive the expiration or earlier termination of this Sublease and shall not be limited by any provisions of this Sublease limiting Subtenant's liability hereunder. In the event of any Subtenant Contamination, Subtenant shall investigate, monitor, clean-up, remove, abate and remediate the Subtenant Contamination to the extent required to comply with Applicable Laws, including, without limitation, any requirements of a governmental authority imposed in accordance with Applicable Laws, and in a manner that does not materially interfere with Sublandlord's or any of its other subtenants or licensees use of the Project.

Sublandlord shall not use, store, generate, release or discharge any Hazardous Substances on the Subleased Premises or Common Areas in violation of Applicable Laws. Sublandlord shall indemnify, defend and hold harmless Subtenant from and against all third-party claims and associated lawsuits, governmental actions, obligations, liabilities, costs and expenses (including, but not limited to, court costs, reasonable attorneys' fees and remediation costs) caused by Sublandlord's or any of its employee's, Affiliate's, contractor's, representative's or licensee's release of any Hazardous Substances on, under or about the Subleased Premises or Common Areas during the Term in violation of Applicable

Laws (any such release being referred to as "Sublandlord Contamination"). Sublandlord's indemnification obligations in this section shall include the obligation to defend Subtenant, with counsel reasonably satisfactory to Subtenant, in any proceedings, all at Sublandlord's expense. Sublandlord's indemnification obligations under this section shall survive the expiration or earlier termination of this Sublease and shall not be limited by any provisions of this Sublease limiting Sublandlord's liability hereunder. In the event of Sublandlord Contamination, Sublandlord shall investigate, monitor and clean-up, remove, abate and remediate such Sublandlord Contamination to the extent validly required by any governmental authority under Applicable Law, and in a manner that does not materially interfere with Subtenant's use of the Subleased Premises.

(d) Sanitation. Subtenant shall keep the Subleased Premises in a clean and sanitary condition, and Subtenant shall not permit undue accumulations of garbage, trash, rubbish or other refuse within the Subleased Premises. Subtenant shall keep all refuse in proper containers until disposal of such refuse from the Subleased Premises. Subtenant shall not mix or dispose of any Hazardous Substances with general office refuse or other non-regulated waste. Subtenant shall properly dispose of all refuse generated by Subtenant's operations in the Subleased Premises, including, without limitation, all Hazardous Substances, in accordance with Applicable Laws.

(e) Compliance. Subtenant shall conduct its operations in the Subleased Premises in a manner that complies with all Applicable Laws. Subtenant shall not use the Subleased Premises, Subtenant's Exclusive Area or the Common Areas in any manner that (i) constitutes a nuisance, (ii) materially interferes or materially disturbs with any other Persons use of the Project, or (iii) is illegal. Subtenant shall keep the Subleased Premises in a safe condition.

(f) Incentive Agreements. Subtenant shall not violate any of the Incentive Agreements. In addition, Subtenant shall comply with all covenants and obligations, on behalf of Sublandlord, under the Incentive Agreements pertaining to the Subleased Space, Subtenant's operations at the Project (collectively, the "Subtenant Incentive Obligations"), including, without limitation, the timely provision of any and all employment information related to Subtenant's employees required for submission pursuant to any compliance reports or other obligations under the Incentive Agreements and all insurance and maintenance requirements. Subtenant shall indemnify, defend and hold harmless the Landlord and Sublandlord from and against all third party claims (including, but not limited to, claims by the County) and resulting liabilities arising or resulting from Subtenant's violation of the Incentive Agreements or Subtenant's failure to comply with and satisfy all of the Subtenant Incentive Obligations or Subtenant's default under this section or any of the Incentive Agreements. Notwithstanding anything to the contrary, Subtenant agrees to maintain seventy-five percent (75%) ("Subtenant's QJ Share") of the "Qualifying Jobs" as that term is defined in the Incentive Agreements, and Sublandlord agrees to maintain twenty-five percent (25%) ("Sublandlord's QJ Share") of the Qualifying Jobs.

(i) Subtenant shall pay any increase in the PILOT Payments owed by Sublandlord, any increase in the Project Property Taxes owed by Sublandlord, and any other amounts owed by Sublandlord under the Incentive Agreements (collectively, the "Incentive Recapture Obligation") to the extent the Incentive Recapture Obligation is due solely to Subtenant's violation of the Incentive Agreements, the Subtenant Incentive Obligations or this section;

(ii) Sublandlord shall pay any Incentive Recapture Obligation to the extent the Incentive Recapture Obligation is due solely to Sublandlord's violation of the Incentive Agreements or this section; and

(iii) If Sublandlord and Subtenant both fail to maintain the number of Qualifying Jobs required under this section, based on Subtenant's QJ Share and Sublandlord's QJ Share, and there is any Incentive Recapture Obligation owed by Sublandlord due to such failure, then Subtenant shall pay a portion of such amounts as determined by the following formula:

(A) multiply Subtenant's QJ Share by the total number of Qualifying Jobs required to be maintained in the applicable year pursuant to the Incentive Agreements and round to the nearest whole number in order to determine the number of Qualifying Jobs that are required to be maintained by Subtenant for such year;

(B) multiply Sublandlord's QJ Share by the total number of Qualifying Jobs required to be maintained in the applicable year pursuant to the Incentive Agreements and round to the nearest whole number in order to determine the number of Qualifying Jobs that are required to be maintained by Sublandlord for such year;

(C) then, determine the percentage of the job shortfall attributable to Subtenant by dividing (i) the shortfall in the number of Qualifying Jobs actually employed by Subtenant for such year relative to the number of Qualifying Jobs attributable to Subtenant pursuant to Subtenant's QJ Share by (ii) the total shortfall in Qualifying Jobs by both Subtenant and Sublandlord for such year; and

(D) multiply such percentage by the Incentive Recapture Obligation.

(g) Rules. Subtenant shall comply, and cause its employees, agents, subtenants, contractors, representatives, guests or invitees to comply, with all rules and regulations promulgated by Sublandlord or Landlord for the Subleased Premises and/or the Common Areas, as the same may be amended, modified or supplemented, from time to time (collectively, the "Rules"); provided, the Rules shall not materially increase Subtenant's obligations, materially decrease Subtenant's rights under this Sublease, or materially interfere with Subtenant's use of the Subleased Premises in a manner that complies with the other terms of this Sublease. Sublandlord shall furnish Subtenant with a copy of the initial Rules within ten (10) Business Days after the Effective Date, and the parties shall execute an amendment attaching the initial Rules as an exhibit to this Lease and incorporating the same herein.

(h) Solar / Telecommunications Rights. Subtenant shall have the non-exclusive right to install solar and telecommunications equipment, systems and facilities serving the Subleased Premises at the Project, including, without limitation, on the roof of the Building; provided, (i) Subtenant shall not install any such solar or telecommunications equipment, systems or facilities unless it has obtained Sublandlord's prior written consent, which consent shall not be unreasonably withheld, qualified or delayed, (ii) Subtenant shall ensure such solar and telecommunication equipment, systems and facilities do not interfere with any of Sublandlord's equipment, systems or facilities, and (iii) Sublandlord shall have the right to designate the location for any such solar or equipment, systems or facilities. Sublandlord may condition its approval of any such solar or telecommunications equipment on Subtenant obtaining Landlord's written approval thereof. If Subtenant is permitted to install any solar or telecommunications equipment, systems or facilities on the rooftop pursuant to this section, Subtenant must comply with Section 9 below.

(i) Signage. Subtenant may install signs on any common exterior pylon or monument sign for the Project; provided Subtenant obtains Sublandlord prior written approval of such signs, which approval shall not be unreasonably withheld, qualified or delayed. Except for signs permitted under the preceding sentence, Subtenant shall not install any signs located or visible outside the Subleased Premises unless the same have been approved, in writing, by Sublandlord, which approval may be granted or withheld by Sublandlord in its sole and absolute discretion. Subtenant shall keep its signage at the Project in a good and attractive condition, and Subtenant shall ensure that such signage complies with all Applicable Laws and the Permitted Exceptions. Subtenant shall repair any damage to the Subleased Premises caused by the installation or removal of the Subtenant's Signs.

6. Common Areas.

(a) Common Areas. Subject to and in accordance with the other terms of this Sublease, Subtenant and its employees and visitors shall have the non-exclusive right to use the Common Areas during the Term for their intended purpose. Unless Sublandlord and Subtenant agree otherwise, in writing, the Common Areas shall be open 24 hours per day, 7 days per week.

(b) Training and Conference Rooms. Sublandlord and Subtenant each shall have the right to use the training and conference rooms that are part of the Shared Building Areas, in accordance with reasonable scheduling procedures established by Sublandlord, from time to time. Subtenant and Sublandlord shall have equal rights to reserve and use such training and conference rooms in connection with its operations at the Project. Accordingly, Sublandlord shall use reasonable efforts to establish and administer the procedures governing the reservation and use of such training and conference rooms in a fair and non-discriminatory manner.

(c) Server and IT Room. Subject to and in accordance with the terms of this section, Subtenant and Sublandlord each shall have the non-exclusive right to use the "Server" room and "IT Office" that are part of the Shared Building Areas, as shown on **Exhibit E** (collectively, the "Shared IT Areas"), for the limited purpose of installing and operating computer servers, telecommunication systems and related equipment serving its operations at the Project and activities incidental thereto. Each of the parties shall place its computer servers, telecommunication systems and related equipment within the Shared IT Areas in locked and secure cabinets that are adequate to safeguard and protect the same. Access to the Shared IT Areas shall be limited to qualified IT personnel of Sublandlord and Subtenant. Sublandlord may establish reasonable rules, access controls and restrictions governing the Shared IT Areas to prevent access by unauthorized persons, and Subtenant shall comply with such rules, controls and restrictions. Each of the parties shall be responsible for securing, backing-up and safeguarding its computer servers, telecommunications systems and related equipment in the Shared IT Areas (and the information thereon). Sublandlord shall not be responsible or liable for any bad acts, criminal acts, theft, or misconduct of a third- party (including, without limitation, any malware, viruses, hacking, password attacks, denial of service attacks, phishing, hijacking or web jacking, or other cyber-attacks) affecting Subtenant's computer servers, telecommunications systems and related equipment, or any information stored therein. In addition, Sublandlord shall not be responsible or liable for any damage to Subtenant's computer servers, telecommunications systems and related equipment, or any information stored therein, caused by fire, casualty, utility interruption or other cause, unless due to Sublandlord gross negligence or willful misconduct. Each of the parties shall utilize the Shared IT Areas in a manner that: (i) does not materially interfere with the other parties use thereof; and (ii) does not overload or damage the Shared IT Areas or any of the utility lines or other systems serving the same. Prior to making any material changes to its servers, telecommunication systems and/or other equipment in the Shared IT Areas, each party shall coordinate with the other party in an effort to ensure that such changes do not adversely affect or interfere with the other party's servers, telecommunication systems and/or equipment in the Shared IT Areas. Each of the parties shall keep the Shared IT Areas free of trash and debris resulting from its activities and shall promptly clean- up any mess that it causes therein.

(d) Loading Docks and Storage Areas. Subtenant shall have the exclusive right to use the driveways, trailer parking areas and outdoor storage areas shown as "Subtenant Exclusive Areas" on **Exhibit A**; provided, the same shall be maintained, repaired and replaced by Sublandlord as a part of the Common Areas and the cost of such maintenance, repairs and replacements shall be included in Project Operating Costs. Sublandlord shall have the exclusive right to use the driveways, trailer parking areas, guard house, truck queuing area and outdoor storage areas shown as "Sublandlord Exclusive Areas" on **Exhibit A**; provided, the same shall be maintained, repaired and replaced by Sublandlord as a part of the Common Areas and the cost of such maintenance, repairs and replacements shall be included in Project Operating Costs. Subtenant shall be responsible for securing the Subtenant Exclusive Areas, and Sublandlord shall be responsible for securing the Sublandlord Exclusive Areas.

(e) Risk of Loss. Subtenant shall bear the risk of loss with respect to any of its trade fixtures, furnishings, equipment, and other personal property placed in the Common Areas, and neither Sublandlord nor the Landlord shall be liable for any damage to or theft of the same, unless directly due to its gross negligence or willful misconduct. In addition, Sublandlord shall not be responsible or liable for any bad acts, criminal acts, theft, or misconduct of a third-party occurring in the Common Area or the Subtenant Exclusive Areas.

(f) Modification. Sublandlord may make non-material Alterations to the Common Areas, from time to time, in such manner as Sublandlord deems desirable, in its sole and absolute discretion. Sublandlord shall not make any material Alterations to the Common Areas unless Sublandlord obtains Subtenant prior written approval thereof, which approval shall not be unreasonably withheld, qualified or delayed. The work required to make any such changes or any repairs, maintenance or replacements to the Common Areas may temporarily interfere with Subtenant's use of the Common Areas, and any such interference shall not constitute a constructive eviction of Subtenant, result in an abatement of Rent, relieve Subtenant from any of its obligations or liabilities under this Sublease, or otherwise give rise to a claim against Sublandlord. The Project Common Areas (or a portion thereof) may be closed, from time to time, by Sublandlord to the extent Sublandlord deems necessary to prevent the public or any person or entity from acquiring any rights or easements therein; provided, Sublandlord shall not close any of the Common Areas in a manner that materially interferes with Subtenant's use of the Subleased Premises or the Subtenant Exclusive Areas.

7. Services.

(a) General. Sublandlord shall use reasonable efforts to furnish the following services during the Term (the "Sublandlord Services"):

(i) heating and air conditioning for the Shared Building Areas, at levels sufficient for the comfortable use thereof, during periods when the same are open; and

(ii) heating for warehouse space that is part of the Shared Building Areas, the Subleased Premises and the Sublandlord's Retained Space, in accordance with Sublandlord's practices immediately prior to the Effective Date or in such other manner as is mutually agreed upon by Sublandlord and Subtenant, in writing; and

(iii) general housekeeping service for the Shared Building Areas required to keep the same in a reasonably good order and reasonably clean condition; and

(iv) supplies for the Shared Building Areas, including, without limitation, the fitness facility, showers, restrooms and café, in accordance with Sublandlord's practices immediately prior to the Effective Date or in such other manner as is mutually agreed upon by Sublandlord and Subtenant, in writing; and

(v) elevator service, 24 hours per day, 365 days per year, utilizing the elevators forming a part of the Common Areas, for non-exclusive use by Subtenant, Sublandlord and their respective employees, agents, subtenants, contractors, representatives, guests and invitees, provided, Sublandlord may impose reasonable restrictions, regulations and security requirements on the use of such elevators; and

(vi) security services for the Common Areas in such manner as Sublandlord's deems appropriate, provided that Sublandlord shall have no obligation to provide a certain level of security and Sublandlord shall not be liable for the bad acts, criminal acts, theft, or misconduct of any third-party; and

(vii) electricity and lighting for the Common Areas to the extent required for the proper use and operation thereof, in accordance with Sublandlord's practices immediately prior to the Effective Date or in such other manner as is mutually agreed upon by Sublandlord and Subtenant, in writing; and

(viii) electricity, 24 hours per day, 365 days per year, for (A) the lighting system and incidental outlets within the warehouse space that is part of the Building to the extent the same are not separately metered or sub-metered, and (B) electricity for portions of the Subleased Premises, Sublandlord’s Retained Space, the Sublandlord Exclusive Area, and the Subtenant Exclusive Area that are sub-metered; and

(ix) snow and ice removal and mitigation for the Project Common Areas to the extent Sublandlord reasonably deems appropriate and to the extent reasonably possible under the circumstances; and

(x) trash removal service for ordinary waste generated by the use of the Shared Building Areas and Subtenant’s and Sublandlord’s operations at the Project, provided, (A) Subtenant shall be responsible for transporting its waste to the dumpsters designated by Sublandlord, from time to time, and (B) Sublandlord may elect to discontinue providing waste removal service for Subtenant operations in the Subleased Premises (but not the Shared Building Areas) at any time (in which case the cost of waste removal from operations with the Subleased Premises and the Sublandlord’s Retained Space shall not be included in Project Operating Costs); and

(xi) hot and cold water as required for normal drinking, cleaning and lavatory purposes for the Shared Building Areas, the Subleased Premises and the Sublandlord’s Retained Space, at existing points of supply; and

(xii) sanitary sewer service for normal lavatory purposes for the Shared Building Areas, the Subleased Premises and the Sublandlord’s Retained Space, at existing points of supply.

All costs and expenses incurred by Sublandlord to provide the Sublandlord Services may be included by Sublandlord in the Shared Building Area Costs and the Project Operating Costs, as applicable; provided, the cost of sub-metered utilities for the Subleased Premises, Sublandlord’s Retained Space, the Sublandlord Exclusive Area, and the Subtenant Exclusive Area shall be paid by Subtenant and Sublandlord, as applicable, in accordance with Section 7(e) and shall not be included in Shared Building Area Costs or Project Operating Costs.

(b) Telecommunications and Data Service. All telecommunications, telephone, internet and data service (including, without limitation, the installation of any equipment with respect thereto) for the Subleased space shall be the sole responsibility and at the cost of Subtenant; provided, Sublandlord may require that Subtenant utilize the vendor or vendors providing such services to other portions of the Project.

(c) Extra Services. Upon request by Subtenant, Sublandlord may provide services that are extra or additional to those services described in Section 7(a); provided, Sublandlord shall not be obligated to provide any extra or additional services. Subtenant shall pay for any such extra or additional services provided by Sublandlord at Sublandlord’s reasonable rates for such services, from time to time. All charges for any such extra or additional services provided by Sublandlord shall be due and payable within fifteen (15) days after Subtenant receives Sublandlord’s bill therefor. If Subtenant fails to pay, when due, Sublandlord’s charges for any such extra or additional services, Sublandlord may discontinue providing any such extra or additional services, in addition to any other remedies available to Sublandlord under this Sublease, at law or in equity.

(d) Energy Conservation. Sublandlord’s compliance with any mandatory or voluntary energy, utility or resource conservation measures, including, without limitation, any such measures required under Applicable Laws, shall not be considered a violation of the terms of this Sublease and shall not entitle Subtenant to terminate this Sublease or result in the abatement or reduction of the Rent; provided, any voluntary energy, utility or resource conservation measures implemented by Sublandlord shall not materially interfere with the operation of Subtenant’s business in the Subleased Premises.

(e) Utilities. Subtenant shall pay directly to the applicable provider, when due, for all separately metered utilities exclusively serving the Subleased Premises and any equipment not located within the Subleased Premises but exclusively serving the Subleased Premises (including, without limitation, any HVAC units). As to all sub-metered utilities exclusively serving the Subleased Premises, the Subtenant Exclusive Area, any equipment therein, and/or any equipment not located within the Subleased Premises but exclusively serving the Subleased Premises (including, without limitation, any HVAC units), Subtenant shall reimburse Sublandlord, from time to time, for the actual cost of such utility service (including, without limitation, capacity charges, demand charges, taxes, and other fees), within fifteen (15) days after Subtenant's receipt of a written invoice from Sublandlord, no more often than monthly. Sublandlord has installed or shall promptly install separate meters or sub-meters measuring the electricity furnished to Subleased Premises, Sublandlord's Retained Space, the Sublandlord Exclusive Area and the Subtenant Exclusive Area; provided, Sublandlord may elect not to, at its option, separately meter or sub-meter the lighting system and/or any incidental outlets in the warehouse space of the Building. Subtenant shall reimburse Sublandlord for the reasonable cost of all meters and sub-meters installed by Sublandlord to measure electricity furnished to Subleased Premises and/or the Subtenant Exclusive Area, any equipment therein, and/or any equipment not located within the Subleased Premises but exclusively serving the Subleased Premises (including, without limitation, any HVAC units), within thirty (30) days after Subtenant's receipt of a written invoice from Sublandlord. Subtenant shall ensure that all electricity furnished to the equipment in the warehouse space that is part of the Subleased Premises is separately metered or sub-metered.

(f) Interruptions. Unless due to the gross negligence or willful misconduct of Sublandlord or any of its agents, employees, contractors or representatives or any Sublandlord Default, Sublandlord shall not be liable for the interruption or cessation of any of the Sublandlord Services or any utility service and there shall be no abatement or reduction of the Rent as a result of any such interruption or cessation and any such disruption shall not relieve Subtenant of any of its obligations or liabilities under this Sublease. If any utility service to the Subleased Premises or any other portion of the Project is disrupted to such an extent that Subtenant cannot operate its business in the Subleased Premises for a period of more than seventy-two (72) hours due to Landlord's or any of its agent's, employee's, contractor's or representative's affirmative negligent act or willful misconduct or any Sublandlord Default, then the Rent shall abate during the period Subtenant is unable to operate its business in the Subleased Premises due to such disruption. The interruption or cessation of the Sublandlord Services or any utility service to the Subleased Premises shall not result in constructive eviction, render Sublandlord liable to Subtenant for damages, or, except as otherwise expressly provided herein, relieve Subtenant from performance of Subtenant's obligation under this Sublease.

(g) Subtenant Supplied Services. Notwithstanding anything to the contrary contained herein, Subtenant, at its sole cost and expense, shall contract directly with one or more Persons for general housekeeping and janitorial services with respect to the Subleased Premises. Subtenant shall obtain Sublandlord written approval of the Person or Persons providing such housekeeping and janitorial services to the Subleased Premises, and Sublandlord may, at its option, require that Subtenant utilize the Person providing cleaning services to other portion of the Project. In addition, Subtenant shall be solely responsible for obtaining, at its expense, all monitoring, alarm, and security services for the Subleased Premises that Subtenant deems necessary or desirable, and Sublandlord shall have no liability or responsibility for providing any such services to the Subleased Premises. In the event Subtenant desires to install any alarm, monitoring, access control or security system in or serving the Subleased Premises, Subtenant shall obtain Sublandlord's prior written approval of the same. Subtenant acknowledges that it will be required to replace the card reader system used to control access to the Subleased Premises, at its expense, promptly after the Effective Date.

(h) Vendor Insurance & Compliance. Subtenant shall cause any vendors working at the Subleased Premises (but excluding vendors simply delivering products to the Subleased Premises) to maintain general liability insurance and other insurance reasonably required by Sublandlord, from time to

time, which insurance shall name Sublandlord and Subtenant as additional insureds and satisfy Sublandlord's reasonable insurance requirements. In addition, Subtenant shall cause evidence of such insurance coverage to be furnished to Sublandlord, from time to time, upon Sublandlord's request. Any vendors performing work or providing services at the Subleased Premises shall be required by Subtenant to comply with all reasonable rules and regulations promulgated by Sublandlord, from time to time.

8. Maintenance and Repair.

(a) Subtenant's Obligations. Except for repairs, maintenance and replacements to the Common Areas and the roof, foundation, floor slab, structural elements and exterior walls of the Project that are expressly Landlord's responsibility under the Master Lease, Subtenant shall perform all repairs and maintenance required to keep the Subleased Premises and all equipment, systems and facilities exclusively serving the Subleased Premises in a reasonably good and clean condition, in good working order and in compliance with the Incentive Agreements (including, but not limited to, interior walls, windows, Mechanical Systems, interior lighting, cabinets, doors, locks, paint, wall coverings and floor coverings), excluding ordinary wear and tear and damage caused by fire, casualty or any Taking. All repairs and maintenance that are Subtenant's responsibility under this Sublease shall be completed in a good and workmanlike manner and in compliance with all Applicable Laws. If any repairs, maintenance or replacements are required as a result of damage to the Subleased Premises or any equipment, systems or facilities exclusively serving the Subleased Premises directly caused by Sublandlord or its agents, employees, contractors or representatives, excluding ordinary wear and tear, damaged caused by fire or other casualty, and damage that is subject to the waiver set forth in Section 10(c), then Sublandlord shall reimburse Subtenant for the third party actual, verifiable and reasonable cost of such repairs, maintenance or replacements, within sixty (60) days of Sublandlord's receipt of a written demand for the same from Subtenant, accompanied by reliable evidence of the costs for which reimbursement is sought.

(b) HVAC and Pest Control. During the Term, Subtenant shall retain***:*** (i) a reputable and experienced contractor approved by Sublandlord, in writing, to conduct at least quarterly inspections and servicing of the HVAC systems exclusively serving the portions of the Subleased Premises located in the office building forming a part of the Project, including, but not limited to, at least quarterly filter changes, manufacturer recommended maintenance, and repairs determined to be necessary as a result of such inspections; and (ii) a reputable and experienced exterminator approved by Sublandlord, in writing, to perform at least quarterly inspections and treatments of the Subleased Premises to prevent pest infestations. If Sublandlord implements an HVAC maintenance program or pest control program for the Project, Subtenant shall participate in the same, including, without limitation, utilizing the service provider(s) under such program. Subtenant shall provide Sublandlord with copies of the HVAC contracts and pest control contracts that it is required to maintain under this section and all reports or maintenance information generated pursuant thereto. For avoidance of doubt, a heating or air conditioning unit shall not be deemed to exclusively serve the Subleased Premises or Sublandlord's Retained Space in warehouse areas since the same are not enclosed by demising walls.

(c) Sublandlord Obligations. Except for portions of the Project that Landlord is required to maintain, repair and replace under the Master Lease, Sublandlord shall perform all repairs and maintenance required to keep the Common Areas in a reasonably good and clean condition, in working order and in compliance with the Incentive Agreements (including, but not limited to, any HVAC systems and utility lines that do not exclusively serve the Subleased Premises or the Sublandlord's Retained Space, parking lot lights, parking areas, access drives, sidewalks, exterior utility lines and facilities, sewer treatment facilities, back-up generators, water towers, landscaping, storm water drainage, detention and/or retention facilities, and signage), excluding ordinary wear and tear, damage caused by fire, casualty or any Taking, and utility lines and facilities to be maintained by any utility company. In addition, Sublandlord shall perform all maintenance and repairs to the roof of the Building that are Sublandlord's responsibility under the Master Lease. The gas heating units located in the warehouse space forming a part of the Subleased Premises and the Sublandlord's Retained Space are part of the Project Common Areas and shall

be controlled by and maintained, repaired and replaced by Sublandlord. The cost of all repairs, maintenance and replacements performed by Sublandlord pursuant to this section may be included by Sublandlord in Shared Building Area Costs and Project Operating Costs, as applicable. If any repairs, maintenance or replacements are required to the Project as a result of damage caused by Subtenant or its Affiliates, agents, employees, contractors or representatives, excluding ordinary wear and tear and damage that is subject to the waiver set forth in Section 10(d), then Subtenant shall reimburse Sublandlord or Landlord, as applicable, for the third party actual, verifiable and reasonable cost of such repairs, maintenance or replacements, within sixty (60) days of Subtenant's receipt of a written demand for the same, accompanied by reliable evidence of the costs for which reimbursement is sought.

(d) Self-Help. In the event Subtenant fails to make any repairs, maintenance or replacements that are its responsibility under this Section 8 or fails to maintain any contracts required under Section 8(b) and Subtenant does not cure such failure within thirty (30) days after Sublandlord notifies Subtenant of the need for the same, in writing, then Sublandlord may (but shall not be obligated to) cure such failure on behalf of Subtenant and enter upon the Subleased Premises to the extent necessary in connection therewith; provided, in cases of emergency or where such failure creates an imminent risk of personal injury or property damage, Sublandlord may (but shall not be obligated to) immediately cure such failure. Subtenant shall reimburse Sublandlord, on written demand, for all reasonable costs incurred by Sublandlord to cure any such failure, plus Subtenant shall pay Sublandlord an administrative fee equal to five percent (5%) of such costs.

9. Alterations.

(a) Equipment. To the extent of Sublandlord's rights under the Master Lease without Landlord's approval, Subtenant may, without obtaining Sublandlord's approval, install all equipment that Subtenant deems necessary or desirable in connection with the Permitted Uses, whether now existing or hereafter developed, so long as such equipment does not exceed the load bearing capacity or otherwise materially and adversely damage the structure of the Building, Subtenant complies with all Applicable Laws, the Master Lease and the other terms of this Lease, such equipment does not overload any utility or other system, Subtenant causes the power and other utilities connected to such equipment to be separately metered or sub-metered, and such equipment will not have a material adverse effect on Sublandlord's use of Sublandlord's Retained Space or the Common Areas; provided Subtenant shall not alter the roof, foundation or other structural elements of the Building, unless Tenant obtains Sublandlord's prior written approval as provided below. For avoidance of doubt and without limiting Subtenant's rights under this Section 9(a), Subtenant may, without obtaining Sublandlord's consent, bolt its racking system to the floor slab in warehouse space that is part of the Subleased Premises; provided, Subtenant shall not materially damage the floor slab, Subtenant shall comply with the Master Lease and obtain any approvals from Landlord required thereunder, and Subtenant shall properly patch and restore the slab at the time any such racking is removed (and in all cases prior to the expiration or termination of this Lease). Prior to installing any equipment other than customary office equipment and warehouse racking, Subtenant shall notify Sublandlord, in writing. If Sublandlord reasonably determines that Master Landlord's consent is required for the installation of any equipment or related Alterations, Sublandlord may require that Subtenant obtain Landlord's written consent before installing such equipment or making such Alterations.

(b) Subtenant Alterations. Additionally, without obtaining Sublandlord's approval, Subtenant may make (i) changes to floor coverings, wall coverings and paint of the interior of the Subleased Premises, and (ii) interior, non-structural Alterations to the Subleased Premises so long as such interior, non-structural Alterations do not require the Master Landlord's consent under the Master Lease and the cost of any such Alterations on a per items basis or any group of related Alterations does not exceed the Alterations Threshold (as defined below) and the same do not affect any Mechanical Systems serving other portions of the Project; provided, such Alterations shall not exceed the load bearing capacity or otherwise materially and adversely damage the structure of the Building, Subtenant shall comply with all Applicable Laws, the Master Lease and the other terms of this Lease, Subtenant shall not overload any utility or other

system, Subtenant shall cause power and other utilities connected to such Alterations to be separately metered or sub-metered, and such Alterations shall not have a material adverse effect on Sublandlord's use of Sublandlord's Retained Space or the Common Areas. The "Alterations Threshold" shall initially be One Hundred Thousand and No/100 Dollars ($100,000.00) and shall increase as and when the Alterations Threshold shall increase under the Master Lease. Except as otherwise expressly provided above, Subtenant shall not make any Alterations to the Subleased Premises, unless Sublandlord has approved such Alterations, in writing, which approval will not be unreasonably withheld, conditioned or delayed, except Sublandlord may withhold approval of any Alterations that affect the foundation, structural elements or exterior of the Building or any Mechanical Systems serving areas outside the Subleased Premises. Prior to commencing any Alterations other than changes to floor coverings, wall coverings and paint of the interior of the Subleased Premises, Subtenant shall notify Sublandlord, in writing. If Sublandlord reasonably determines that Master Landlord's consent is required for any Alterations, Sublandlord may require that Subtenant obtain Landlord's written consent before it commences such Alterations and Sublandlord may condition its approval of any proposed Alterations on Subtenant obtaining Landlord's written approval thereof. In no event shall Subtenant have the right to make any Alterations to or that affect the Common Areas or the foundation and structural elements of the Project. All Alterations undertaken by Subtenant: (i) must be completed by Subtenant in a good and workmanlike manner and in compliance with Applicable Laws, the Permitted Exceptions, the Incentive Agreements and the other terms of this Sublease; (ii) must be completed using new materials of good quality; (iii) must not exceed the load bearing capacity of the Building or otherwise have a material adverse effect on the structural integrity of the Building; and (iv) must not increase the load on any of the Mechanical Systems beyond their published load limits or otherwise have a material adverse effect on the Mechanical Systems. Subtenant shall, at its expense, obtain all governmental permits and approvals required in connection with its Alterations or equipment installation. Subtenant shall complete all Alterations and equipment installations in a manner that does not interfere with Sublandlord's operations at or use of the Project. If Sublandlord's consent is required for any proposed Alterations under the other provisions of this section, Subtenant shall submit the construction plans and specifications for such Alterations to Sublandlord at the time Subtenant requests Sublandlord's approval thereof and Subtenant shall complete such Alterations in accordance with the plans and specifications approved by Sublandlord. Subtenant shall pay the cost of its Alterations, when due.

(c) Roof Requirements. Subtenant shall not have the right to install any facilities on or make any Alterations to the roof of the Building, unless Subtenant obtains Sublandlord's prior written consent, which consent shall not to be unreasonably withheld, conditioned or delayed. Without limiting the generality of the foregoing, it shall be reasonable for Sublandlord to withhold such consent if Sublandlord reasonably determines that the installation or Alterations requested would not comply with all Applicable Laws, void, violate or limit any roof warranty, not comply with the roof manufacturer's recommendations and requirements, damage or exceed the load bearing capacity of the roof, or modify or adversely affect the structure of the roof. In the event that Sublandlord consents, in writing, to Subtenant installing any facilities on or making any Alterations to the roof of the Building, Subtenant shall: (i) cause the installation or Alteration to be completed in a good and workmanlike manner; (ii) comply with all Applicable Laws; (iii) not void, violate or limit any roof warranty; (iv) follow the roof manufacturer's recommendations and requirements; (v) ensure the installation or Alteration does not damage or exceed the load bearing capacity of the roof; and (vi) obtain Sublandlord's written approval of the contractor(s) who will perform the installation or Alteration, provided Sublandlord shall have the right to designate the contractor(s) that Subtenant must use to perform the installation or Alteration or Sublandlord may require that Subtenant obtain the roof manufacturer's and Landlord's approval of such contractor(s). Sublandlord may condition its approval of any such proposed installations or Alterations affecting the roof of the Building on Subtenant obtaining Landlord's written approval thereof. If any warranty covering the roof is voided, violate or limited as a result of Subtenant's acts, installations or Alterations, Subtenant shall reimburse Sublandlord and Landlord for the cost of all repairs and damages that it incurs which would have been covered by such warranty had the same not been so voided, violated or limited.

(d) No Liens. Notice is hereby given that Sublandlord and Landlord will not be liable for any work, services, materials or labor furnished to Subtenant, and no mechanic's, materialmen's or other lien arising or resulting from Subtenant's acts or omissions (collectively, "Subtenant Liens") shall attach to or affect Sublandlord's or Landlord's interest or estate in the Project. Subtenant shall keep the Project and its interest under this Sublease free and clear of all Subtenant Liens, including, but not limited to, liens for work, services, materials or labor furnished to Subtenant or alleged to have been so furnished. In the event Subtenant fails to discharge any Subtenant Lien encumbering the Project or Subtenant's interest in this Sublease (by bonding, payment or other method) within twenty (20) days after the filing thereof, Sublandlord may (but shall not be obligated to) cause such lien to be released and discharged, in which event Subtenant shall reimburse Sublandlord for all costs it incurs in connection therewith, including, but not limited to, reasonable attorneys' fees.

10. Insurance.

(a) Subtenant's Insurance. Subject to the other terms hereof, throughout the Term, Subtenant shall maintain, at its sole cost and expense: (i) commercial liability insurance covering Subtenant's activities and operations at the Project, with a combined single limit for bodily or personal injury, including (without limitation) death, of not less than Three Million and No/100 Dollars ($3,000,000.00) per occurrence and an aggregate limit for such insurance of not less than Five Million and No/100 Dollars ($5,000,000.00); (ii) property insurance covering Subtenant's furnishing, trade fixtures, equipment and other personal property at the Project, in an amount equal to at least one hundred percent (100%) of the replacement cost thereof, written on a "Causes of Loss, Special Form" basis or its equivalent (the "Subtenant Property Insurance"); (iii) business interruption insurance covering Subtenant's business for at least twelve (12) months of operations; (iv) builder's risk insurance in form and content satisfactory to Sublandlord during periods when any Alterations are being undertaken by or on behalf of Subtenant at the Project; (v) Workers Compensation insurance in compliance with Applicable Laws and with liability limits that satisfy all statutory requirements; and (vi) Employer's Liability insurance with coverage of at least $1,000,000 per accident, $1,000,000 per person for disease and $2,000,000 policy limit for disease. Subtenant may satisfy the liability insurance requirements under this section, at Subtenant's option, with the combination of a base liability insurance policy and an umbrella liability insurance policy. The insurance policies that Subtenant is required to obtain under this Sublease shall be issued by a reputable insurance company licensed to do business in the State of Missouri that have an A.M. Best Insurance Reports rating of at least A- (or its equivalent). Subtenant's liability insurance shall name Sublandlord, Landlord, the County, and, upon Landlord's written request, any Fee Mortgagee and Landlord's property manager, if any, as additional insureds, and Subtenant's builder's risk insurance shall name Sublandlord as loss payee. All insurance required under this section shall be consistently maintained without gaps in coverage. If Subtenant fails to maintain any of the insurance required under this Sublease, then Sublandlord or Landlord may (but shall have no obligation to) purchase such insurance, on behalf of Subtenant, in which event Subtenant shall reimburse Sublandlord or Landlord, as applicable, for the reasonable cost of such insurance, upon demand. Within ten (10) days after Sublandlord or Landlord's written request, and in any event, before the expiration of the current policy, Subtenant shall provide Sublandlord and Landlord with certificates of insurance evidencing the insurance that Subtenant is required to maintain hereunder and appropriate renewals. No failure by Subtenant to maintain the insurance required hereunder shall relieve Subtenant of any liability hereunder. Subtenant shall cause the contractor or contractors performing any Alterations to obtain, and furnish Sublandlord with reliable evidence of, commercial general liability insurance coverage with liability limits for personal injury, death and property damage of not less than One Million and No/100 Dollars ($1,000,000.00) per occurrence and naming Sublandlord, Landlord, Landlord's lender, property manager, and the County as Additional Insureds. Subtenant's insurance shall provide primary coverage when any insurance policy issued to Sublandlord or Landlord provides duplicate or similar coverage. In no event shall the amount of Subtenant's insurance coverage limit the liability of the Subtenant. Unless Sublandlord agrees otherwise, in writing, the deductibles under Subtenant's insurance shall not exceed Fifty Thousand and No/100 Dollars ($50,000.00). Sublandlord shall have the right to require, from time to time, that Subtenant increase the amount of its insurance coverage and/or obtain additional insurance coverage so long as Sublandlord is acting in a commercially reasonable manner

(b) Sublandlord's Insurance. Throughout the Term, Sublandlord shall maintain all the insurance that is its responsibility under Master Lease, except Sublandlord may elect not to maintain any such insurance to the extent Subtenant maintains the same pursuant to Section 10(a).

(c) Subtenant's Waiver of Insured Claims/Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, Subtenant hereby waives all claims that it may have against Sublandlord, Landlord and their respective Affiliates, owners, directors, officers, employees, agents, contractors and representatives for losses and damages that are actually covered by its insurance or that would have been covered had it maintained the insurance required under this Sublease. If possible on commercially reasonable terms, Subtenant shall cause the insurers issuing its insurance to waive all of their subrogation rights against Sublandlord, Landlord and their respective Affiliates, owners, directors, officers, employees, agents, contractors and representatives and shall supply Sublandlord and Landlord with appropriate evidence confirming that such waiver is in effect. For the purposes of this section, Subtenant shall be deemed to be insured against losses and damages that are within the deductible of any of its insurance policies. The provisions of this section shall apply to claims regardless of cause or origin, including, without limitation, claims arising due to negligence.

(d) Sublandlord's Waiver of Insured Claims/Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, Sublandlord hereby waives all claims that it may have against Subtenant and its Affiliates, owners, directors, officers, employees, agents, contractors and representatives for losses and damages that are actually covered by Sublandlord's insurance or that would have been covered had it maintained the insurance required under this Sublease. If possible on commercially reasonable terms, Sublandlord shall cause the insurers issuing its insurance to waive all of their subrogation rights against Subtenant and shall supply Subtenant with appropriate evidence confirming that such waiver is in effect. For the purposes of this section, Sublandlord shall be deemed to be insured against losses and damages that are within the deductible of any of its insurance policies. The provisions of this section shall apply to claims regardless of cause or origin, including, without limitation, claims arising due to negligence.

11. Fire & Casualty.

(a) Restoration. If any portion of the Project is damaged by fire or other casualty and the Master Lease is not terminated by either Sublandlord or Landlord in accordance with the terms thereof, then Sublandlord shall diligently perform all repairs and replacements necessary to restore the Project to the condition existing immediately prior to such fire or casualty in accordance with the terms of the Master Lease, subject to delays caused by any Event of Force Majeure; provided, (i) Subtenant shall be solely responsible for restoring or replacing Subtenant's furnishing, trade fixtures, equipment and other personal property at the Project, (ii) Sublandlord shall have the right to make Alterations to the Project to the extent required to comply with Applicable Laws, and (iii) Sublandlord shall have the right to make Alterations to the Sublandlord's Retained Space permitted under the Master Lease or approved by Landlord.

(b) Termination. In the event the Master Lease is terminated due to any damage to the Project caused by fire, casualty, condemnation or other cause, this Sublease shall terminate. If this Sublease is terminated on account of any damage to the Project caused by fire or other casualty, Sublandlord shall be entitled to all insurance proceeds paid on account of such damage, except amount paid on account of loss or damage to Subtenant's furnishing, trade fixtures, equipment and other personal property at the Project.

(c) Abatement. The Rent shall not abate, in whole or in part, as a result of any damage to the Project caused by fire or other casualty.

12. Condemnation.

(a) Restoration. In the event this Sublease is not terminated after a Taking of any portion of the Project, Landlord is responsible for restoring the Project in accordance with the Master Lease, and Sublandlord shall take all reasonable action to enforce such obligation of Landlord with due diligence.

(b) Termination. In the event the Master Lease is terminated automatically or by Landlord or Sublandlord due to any Taking of the Project or portion thereof, this Sublease shall terminate. If a material portion of the Subleased Premises is permanently taken as a result of any Taking and the remainder of the Subleased Premises is not suitable from Subtenant's use thereof (based on the manner in which Subtenant was utilizing the Subleased Premises immediately prior to such Taking), then Subtenant shall have the right to terminate this Sublease by giving written notice to Sublandlord within thirty (30) days after Subtenant is notified of such Taking, in writing.

(c) Abatement. In the event the Master Lease is not terminated as a result of a Taking of any portion of the Project, there shall be no abatement of the Rent, except to the extent there is a reduction in the Monthly Rent payable under the Master Lease for any month due to the Taking of a portion of the Subleased Premises or due to the effect of any Condemnation Restoration Work on the Subleased Premises, then the monthly installment of Base Rent for such month shall be reduced by such amount. In no event shall there be a reduction in the Base Rent due to a Taking of any areas outside the Subleased Premises or any Condemnation Restoration Work related to such areas.

(d) Awards. All awards paid on account of any Taking of the Project shall be allocated between Landlord and Sublandlord in accordance with the terms of this Master Lease and Subtenant shall not be entitled to any portion thereof; provided, if any amounts are expressly awarded on account of Subtenant's moving expenses or Subtenant's Alterations to the Subleases Premises and Sublandlord receives such amounts under Master Lease, then Subtenant shall be entitled to such amounts.

13. Assignment and Subletting.

(a) Assignment and Subletting. Subtenant shall not assign this Sublease or sublet any portion of the Subleased Premises, unless Subtenant has obtained Sublandlord's prior written consent, which consent may be granted or withheld by Sublandlord in its sole and absolute discretion. Notwithstanding anything to the contrary contained herein, Sublandlord may condition its consent to any assignment of this Sublease by Subtenant or any subletting of the Subleased Premises (or portion thereof) on Subtenant obtaining Landlord's written approval thereof. Subtenant agrees to reimburse Sublandlord for all reasonable legal fees and other costs incurred by Sublandlord in connection with any permitted assignment of this Sublease or any permitted subletting of the Subleased Premises (or portion thereof) by Subtenant, upon written demand. Subtenant shall deliver to Sublandlord copies of all documents executed in connection with any permitted assignment of this Sublease or any permitted subletting of the Subleased Premises (or portion thereof) by Subtenant, which documents must be in form and substance reasonably satisfactory to Sublandlord and must require that the assignee assume performance of all terms of this Sublease to be performed by Subtenant in the case of an assignment or require that the subtenant comply with all the terms of this Sublease applicable to Subtenant in the case of a sublease. No acceptance by Sublandlord of any Rent or other sum from an assignee or subtenant shall be deemed a consent to Subtenant's assignment of this Sublease or subletting of the Subleased Premises (or a part thereof). Except to the extent expressly permitted hereunder, Subtenant shall not allow any other Person to occupy the Subleased Premises (or any portion thereof). Sublandlord's consent to an assignment or subletting shall not be deemed a consent to any subsequent assignment or subletting. Sublandlord shall have the right to collect the rent payable by any subtenant of Subtenant and apply the same to Subtenant's obligations under this Sublease, and no further instruments shall be required for Sublandlord to exercise such right; provided Subtenant agrees to execute any instruments reasonably requested by Sublandlord for the purposes of allowing it to collect such rents.

(b) Transfer of Ownership Interests. An assignment of this Sublease by Subtenant shall be deemed to have occurred if in a single transaction or in a series of transactions more than forty- nine percent (49%) of the ownership interests (whether stock, partnership interests, membership interests or other) in Subtenant are, directly or indirectly, sold, transferred, conveyed or assigned; provided, the provisions of this section shall not apply to Subtenant at any time when the stock of Subtenant or its parent company is publicly traded on a recognized national securities exchange so long as Subtenant is owned or controlled, directly or indirectly, by a Disqualified Person.

(c) No Disqualified Person. Notwithstanding anything to the contrary, in no event shall this Sublease by assigned to any Disqualified Person without the prior written approval of Sublandlord, which approval may be granted or withheld by Sublandlord in its sole and absolute discretion.

(d) No Release. Notwithstanding any assignment of this Sublease or subletting of the Subleased Premises, Subtenant shall remain primarily responsible for the satisfaction of its obligations and liabilities hereunder, and such responsibility shall not be limited, affected, diminished or discharged by any event whatsoever, including, but not limited to, the compromise or settlement (with or without release) of any other person or entity liable for the payment of Subtenant's liabilities and/or the performance of Subtenant's obligations under this Sublease, Sublandlord's failure to file suit against any assignee of Subtenant (regardless of whether such assignee is becoming insolvent, is believed to be about to leave the state or any other circumstance), Sublandlord's failure to give Subtenant notice of any default, the unenforceability of any provision of this Sublease against an assignee of Subtenant due to bankruptcy discharge or otherwise, Sublandlord's failure to insist upon the strict performance of the terms of this Sublease, the extension, modification or amendment of this Sublease, any subsequent assignment of this Sublease or subletting of the Subleased Premises (whether or not consented to by Sublandlord) or Sublandlord's failure to exercise diligence in collection. Any assignment of this Sublease or subletting of the Subleased Premises (or portion thereof) not approved by Sublandlord, in writing, shall, at Sublandlord's option, be void.

14. Master Lease. Except as expressly set forth below, this Sublease and all rights of Subtenant hereunder are subject and subordinate to the terms, conditions and provisions of the Master Lease. Subtenant shall not violate any of the terms of the Master Lease. Notwithstanding anything contained herein, Sublandlord and Subtenant hereby agree that Subtenant shall not have any right to any portion of the proceeds of any insurance proceeds or awards belonging to Landlord under the Master Lease on account of any loss or damage caused by fire, casualty or a Taking. Except for the payment of rent owed by Sublandlord under the Master Lease and other obligations that Sublandlord is expressly required to satisfy under this Sublease, Subtenant shall perform and be bound by all of Sublandlord's obligations under the Master Lease to the extent, but only to the extent, (i) such obligations first arise during the Term and (ii) (A) relate to the Subleased Premises or (B) the use of the Subleased Premises or the Project by Subtenant or any of its employees, agents, subtenants, contractors, representatives, guests or invitees. If Subtenant notifies Sublandlord of any default under the Master Lease by Landlord or any unsatisfied obligation that Landlord's responsibility under the Master Lease, Sublandlord shall endeavor, in good faith and due diligence, to enforce the terms of the Master Lease; provided, nothing herein shall obligate Sublandlord to commence any litigation before Sublandlord deems it advisable in its reasonable discretion.

15. Subtenant Default.

(a) Events of Subtenant Default. Subtenant shall be deemed in default under this Sublease upon the occurrence of one (1) or more of the following events (a "Subtenant Default"):

(i) Subtenant's failure to pay any Rent when due, unless such failure is cured by Subtenant within seven (7) days after it receives written notice from Sublandlord; or

(ii) Subtenant's failure to comply with any of the terms of this Sublease other than those related to the payment of Rent, unless such failure is cured by Subtenant within twenty (20) days

after Sublandlord gives written notice of such failure to Subtenant, provided if such failure cannot reasonably be cured within the aforementioned twenty (20) day period, then no Subtenant Default shall be deemed to have occurred so long as Subtenant commences to cure such failure within twenty (20) days after receiving written notice from Sublandlord and completes such cure within a reasonable time thereafter; or

(iii) the filing by or against Subtenant of a petition (voluntary or involuntary) (A) seeking to have Subtenant declared bankrupt or insolvent or seeking to reorganize Subtenant, or (B) seeking the appointment of a receiver or trustee for all or a substantial portion of Subtenant's assets, unless the petition is dismissed within ninety (90) days after its filing; or

(iv) any assignment of all or substantially all of Subtenant's assets for the benefit of its creditors.

(b) Remedies. Upon the occurrence of any Subtenant Default, Sublandlord may, in addition to any other remedies available hereunder, at law or in equity:

(i) Without terminating this Sublease, enter upon and take possession of the Subleased Premises, expel or remove Subtenant, relet the Subleased Premises on such terms and conditions as Sublandlord deems advisable, and receive the rent therefor, with or without due process and Subtenant hereby expressly waives any and all claims for damages resulting therefrom. In the event Sublandlord elects to exercise the remedy provided under this subsection, Subtenant agrees to reimburse Sublandlord for (A) any third-party actual, verifiable and reasonable costs and expenses that Sublandlord incurs to effect compliance with Subtenant's obligations under this Sublease through the date the Subleased Premises are relet, plus Subtenant shall pay Sublandlord an administrative fee equal to five percent (5%) of such costs and expenses, (B) the costs Sublandlord incurs to recover possession of the Subleased Premises from Subtenant, including, but not limited to, reasonable attorneys' fees, (C) the market brokerage commissions, advertising costs and other similar expenses Sublandlord incurs to relet the Subleased Premises, and (D) all damages that Sublandlord suffers as a result of such default or the termination of Subtenant's right to possession of the Subleased Premises, including, without limitation, the difference between the Rent that Subtenant is required to pay hereunder during the remainder of the Term and the rent received by Sublandlord on account of such reletting during the remainder of the Term, which amount shall be paid monthly, in arrears. In the event Sublandlord is successful in reletting the Subleased Premises at a rental in excess of that agreed to be paid by Subtenant pursuant to the terms of this Sublease, Sublandlord shall be entitled to retain such excess, provided any such excess that is allocable to periods falling within the Term shall be first applied to pay the costs Sublandlord incurs to relet the Subleased Premises (including, without limitation, costs and expenses that Sublandlord incurs to effect compliance with Subtenant's obligations under this Sublease, the costs Sublandlord incurs to recover possession of the Subleased Premises, the brokerage commissions, advertising costs and other similar expenses Sublandlord incurs to relet the Subleased Premises, and the cost of Alterations to the Subleased Premises paid for by Sublandlord) and then to reduce any other amounts Subtenant owes Sublandlord hereunder.

(ii) Terminate this Sublease, in which event Subtenant shall immediately surrender the Subleased Premises to Sublandlord, and if Subtenant fails to do so, Sublandlord may enter upon and take possession of the Subleased Premises and expel or remove Subtenant. In the event this Sublease is terminated pursuant to this subsection, Subtenant agrees to reimburse Sublandlord for: (A) any unpaid Rent that was due and owing prior to such termination, (B) any third-party actual, verifiable and reasonable costs and expenses that Sublandlord incurs to effect compliance with Subtenant's obligations under this Sublease through the date of such termination, (C) the third-party actual, verifiable and reasonable costs Sublandlord incurs to recover possession of the Subleased Premises from Subtenant, including, but not limited to, reasonable attorneys' fees, and (D) any other damages that Sublandlord reasonably incurs as a result of the termination of this Sublease or Subtenant's default hereunder.

(iii) Without terminating this Sublease, enter upon the Subleased Premises, by force if necessary, without being liable for prosecution or any claim for damages thereof, and do whatever Subtenant is obligated to do under the terms of this Sublease, and Subtenant agrees to reimburse Sublandlord, on demand, for any third-party actual, verifiable and reasonable costs and expenses which Sublandlord may incur in effecting compliance with Subtenant's obligations under this Sublease, plus Subtenant shall pay Sublandlord an administrative fee equal to five percent (5%) of such costs and expenses.

(iv) Pursue any other remedy available at law or in equity, subject to the limitations set forth in the other provisions of this Sublease.

The foregoing remedies are cumulative and non-exclusive, and the exercise by Sublandlord of any of its remedies under this Sublease shall not prevent the subsequent exercise by Sublandlord of any other remedies provided herein. All remedies provided for in this Sublease may, at the election of Sublandlord, be exercised alternatively, successively, or in any other manner. Sublandlord shall use reasonable efforts to mitigate the damages it suffers that arise out of or result from a Subtenant Default. In no event shall Subtenant be liable to Sublandlord for any punitive or exemplary damages as a result of its default under this Sublease. No provision of this Sublease shall be deemed to have been waived by Sublandlord, unless such waiver is in writing and signed by Sublandlord. No custom or practice between the parties in connection with the terms of this Sublease shall be construed to waive or lessen Sublandlord's right to insist upon strict performance of the terms hereof. No act by Sublandlord with respect to the Subleased Premises shall be deemed to terminate this Sublease, including, but not limited to, the acceptance of keys or the institution of dispossessory proceedings; it being understood that this Sublease may only be terminated by express written notice from Sublandlord to Subtenant, and any reletting of the Subleased Premises shall be presumed to be for and on behalf of Subtenant, unless Sublandlord expressly provides otherwise in writing to Subtenant.

16. Sublandlord Default.

(a) Events of Sublandlord Default. Sublandlord shall be deemed in default under this Sublease (a "Sublandlord Default") if, but only if: (i) Sublandlord fails to comply with any of the terms of this Sublease and such failure is not cured by Sublandlord within thirty (30) days after Subtenant gives written notice of such failure to Sublandlord, provided if such failure cannot reasonably be cured within the aforementioned thirty (30) day period, then no Sublandlord Default shall be deemed to have occurred so long as Sublandlord commences to cure such failure within thirty (30) days after receiving written notice from Subtenant and completes such cure within a reasonable time thereafter; or (ii) the Master Lease is terminated due to any default thereunder by Sublandlord not caused by or resulting from Subtenant's default under this Sublease or any acts or omissions of Subtenant or any of its Affiliates, employees, agents, subtenants, contractors, representatives, guests or invitees.

(b) Remedies. Upon the occurrence of any Sublandlord Default, Subtenant may terminate this Sublease. The rights and remedies granted to Subtenant under this section shall be in addition to, and not in lieu of, the rights and remedies available to Subtenant at law or in equity on account of any Sublandlord Default; provided, notwithstanding anything to the contrary, in no event shall Sublandlord be liable for consequential, exemplary or punitive damages or lost profits as a result of its default under this Sublease. Subtenant shall use reasonable efforts to mitigate the damages it suffers that arise out of or result from a Sublandlord Default.

(c) Self-Help. If Sublandlord fails to make any repairs, maintenance or replacements to the Subleased Premises or the Common Area that are Sublandlord's express responsibility under this Sublease and such failure has a material adverse effect on Subtenant's operations in the Subleased Premises, then Subtenant may perform such repairs, maintenance and replacements unless Sublandlord commences the same within two (2) Business Days after receiving written notice from Subtenant; provided, if the conditions giving rise to the need for such repairs or replacements create an imminent and material risk of

personal injury or property damage at the Subleased Premises, then Subtenant may undertake such repairs, maintenance or replacements after endeavoring, in good faith, to contact Sublandlord regarding the need for the same, unless Sublandlord agrees to immediately begin diligent efforts to complete such repairs, maintenance or replacements. If Subtenant undertakes any repairs, maintenance or replacements pursuant to this Section 16(c) that are Landlord's responsibility under this Sublease, then Sublandlord shall reimburse Subtenant for the reasonable costs that Subtenant incurs in connection therewith. If Sublandlord fails to pay any amounts that it owes Subtenant under this Section 16(c) within thirty (30) days after Sublandlord's receipt of a written invoice for such amount from Subtenant, then Subtenant shall have the right to deduct such amounts from the Base Rent until it is fully reimbursed for such amount; provided, (i) in no event shall such deductions exceed fifty percent (50%) of any installment of Base Rent due hereunder, and (ii) Subtenant shall not have the right to deduct any such amount to the extent Sublandlord notifies Subtenant, in writing, that Sublandlord disputes the same until such dispute is resolved by written agreement signed by Sublandlord and Subtenant or a final and unappealable court order.

17. Indemnity.

(a) Except to the extent caused by Sublandlord, Landlord or any of their respective agents, employees, contractors or representatives, Subtenant shall indemnify, defend and hold harmless Sublandlord and Landlord from and against all claims, demands, lawsuits, liabilities, losses, damages, fines, penalties, costs and expenses (including, without limitation, reasonable attorneys' fees and litigation expenses) arising or resulting from: (i) Subtenant's use of the Subleased Premises; or (ii) any act, negligence or willful misconduct of Subtenant or any of its Affiliates, employees, agents, subtenants, contractors, representatives, guests or invitees in or about the Project. Subtenant shall not have the right to make any admission or statement on behalf of any party that it is required to indemnify under this section or to bind any such indemnified party without its prior written approval, which approval may be withheld in the indemnified party's sole and absolute discretion.

(b) Except to the extent caused by Subtenant, Landlord or any of their respective agents, employees, contractors or representatives, Sublandlord shall indemnify, defend and hold harmless Subtenant from and against all third-party claims and resulting demands, lawsuits, liabilities, and losses arising or resulting from the use of the Common Areas by Sublandlord or any of its Affiliates, employees, agents, subtenants, contractors, representatives, guests or invitees. Sublandlord shall not have the right to make any admission or statement on behalf of any party that it is required to indemnify under this section or to bind any such indemnified party without its prior written approval, which approval may be withheld in the indemnified party's sole and absolute discretion.

(c) The provisions of this section shall survive the expiration or termination of this Sublease.

18. Waiver. Except to the extent caused by the affirmative negligent act or willful misconduct of Sublandlord or Sublandlord Default, Subtenant hereby expressly waives and releases all claims it may, now or hereafter, have against Sublandlord and any of its owners, directors, officers, employees, agents, contractors and representatives as a result of any injury, damage to property, or interruption of Subtenant's use of the Subleased Premises or Common Area caused by (i) wind, water, flooding, snow, ice, act of God or act of nature, (ii) any interruption of utility service, (iii) any defect in the Subleased Premises or Project (latent or otherwise), (iv) any failure of a mechanical system, electrical system, plumbing system or heating and air conditioning system, (v) the backing up of any sewer pipe or downspout, or (vi) the bursting, breaking, leaking or running of any tank, tub, washstand, water closet, drain or pipe. Nothing herein shall be deemed to limit the provisions of Section 10(c).

19. Bankruptcy. In the event the Master Lease is rejected in a proceeding under the United States Bankruptcy Code or similar statutes relating to insolvency, possession of the Subleased Premises by Subtenant shall be deemed to be possession of the Subleased Premises by Sublandlord.

20. Subtenant's Quiet Enjoyment. Subject to the other terms of this Sublease, Sublandlord covenants that Subtenant's possession of the Subleased Premises shall not be dispossessed by Sublandlord or any party claiming by, through or under Sublandlord so long as there is no uncured Subtenant Default.

21. Retained Rights. Sublandlord shall have the right to install pipes, conduits, lines, wires, vents, ducts and other incidental facilities in the Subleased Premises and Common Areas; provided (i) Sublandlord shall not materially interfere with Subtenant's use of the Subleased Premises, (ii) Sublandlord shall promptly repair any damage to the Subleased Premises or Common Areas resulting therefrom, and (iii) Sublandlord shall pay the cost of installing any such items to the extent the same exclusively serve Sublandlord's Retained Space.

22. Notices. All notices, consents, approvals and other communications (collectively, "Notices") that may be or are required to be given by either Sublandlord or Subtenant under this Sublease shall be properly made only if in writing and sent to the address of Sublandlord or Subtenant, as applicable, set forth below, as the same is modified in accordance herewith, by hand delivery, U.S. Certified Mail (Return Receipt Requested) or nationally recognized overnight delivery service.

If to Sublandlord:	Smith & Wesson Sales Company 2100 Roosevelt Avenue Springfield, MA 01104 Attn: President
with a copy to:	Smith & Wesson Brands, Inc. 2100 Roosevelt Avenue Springfield, MA 01104 Attn: General Counsel
If to Subtenant:	American Outdoor Brands, Inc. 1800 N. Route Z Columbia, MO 65202 Attn: President
with a copy to:	American Outdoor Brands, Inc. 1800 N. Route Z Columbia, MO 65202 Attn: Chief Legal Officer
	TD Bank, N.A. 2 West Main St., 2nd Floor Waterbury, CT 06702 Attn: AOB Products Account Manager

Either party may change its address for Notices by giving written notice to the other party in accordance with this provision. Notices shall be deemed received on the date of actual delivery; provided if either Sublandlord or Subtenant refuses to accept the delivery of any Notice, such notice shall be deemed to have been actually delivered on the date of such refusal.

23. Right of Entry. Sublandlord and Landlord shall have the right to enter the Subleased Premises, the Subtenant Exclusive Areas and other portions of the Project to: (i) conduct inspections; (ii) perform maintenance, repairs and replacements that are its responsibility under this Sublease or the Master Lease; (iii) show the Subleased Premises and Project to purchasers, lenders, and prospective purchasers and

lenders; and (iv) show the Subleased Premises to prospective tenants during the last twelve (12) months of the Term; provided, Sublandlord shall use commercially reasonable efforts to avoid interference with the use and enjoyment of the Subleased Premises and Sublandlord shall give Subtenant at least twenty-four (24) hours advance notice (verbal or written) prior to entering the Subleased Premises pursuant to subparagraph (iii) or (iv) above. In the event emergency conditions exist which materially threaten the Subleased Premises and Subtenant is not diligently addressing the same, Sublandlord or Landlord may immediately enter the Subleased Premises to prevent or mitigate the emergency conditions or damage or injury to persons or property, and no such entry shall require prior notice to Subtenant or constitute an eviction hereunder; provided, Sublandlord shall use reasonable efforts not to interfere with Subtenant's operations or damage Subtenant's property.

24. Surrender. Upon the expiration or earlier termination of this Sublease, Subtenant shall (i) quit and surrender possession of the Subleased Premises to Sublandlord in broom clean condition and in the condition required by the Master Lease, (ii) remove all of Subtenant's furnishing, moveable trade fixtures, equipment and personal property from the Subleased Premises, and (iii) provide Sublandlord with the keys or combinations for all locks in the Subleased Premises. Subtenant shall promptly repair all damage to the Subleased Premises, the Building and the Project resulting from the removal of Subtenant's furnishings, trade fixtures, equipment and other personal property.

25. Miscellaneous.

(a) Construction. Unless the context indicates otherwise, (i) the terms "hereof", "hereunder," "herein" and similar expressions refer to this Sublease as a whole and not to any particular article, section or paragraph, (ii) the singular includes the plural and the masculine gender includes the feminine and neuter, and (iii) all references to articles, sections and subsections refer to the articles, sections and subsections of this Sublease. The titles of the articles, sections and subsections of this Sublease are for convenience only and shall not affect the meaning of any provision hereof. Sublandlord and Subtenant have agreed to the particular language of this Sublease, and any question regarding the meaning of this Sublease shall not be resolved by a rule providing for interpretation against the party who caused the uncertainty to exist or against the draftsman. FOR PURPOSES OF THIS LEASE, TIME SHALL BE CONSIDERED OF THE ESSENCE.

(b) Estoppel Certificates. Within ten (10) Business Days after its receipt of a written request from the other party, Sublandlord or Subtenant, as applicable, shall execute and deliver to the other party or its designee a written statement certifying to the extent true (i) that this Sublease is unmodified and in full force and effect (or if there have been modifications, that this Sublease as modified is in full force and effect and identifying the modifications), (ii) that, to its actual knowledge, without imputation, neither Sublandlord nor Subtenant is in default under this Sublease and no circumstance exists which with the giving of notice, the passage of time, or both, would constitute such a default (or, if either party is in default or a circumstance exists which with the giving notice, the passage of time, or both, would constitute such a default, then the nature of such default or circumstance shall be set forth in detail), (iii) that there are no actions, whether voluntary or otherwise, pending against it under the bankruptcy laws of the United States or any state thereof, and (iv) any other facts related to the status of this Sublease or the condition of the Subleased Premises or the Project, but only to the extent of the certifying party's actual knowledge thereof.

(c) Force Majeure. Subject to the other terms of this section, the period of time that Sublandlord or Subtenant has to perform any of its obligations under this Sublease shall be extended by the amount of time that performance of such obligation is prevented by an Event of Force Majeure. Notwithstanding anything to the contrary, neither the provisions of this section nor the occurrence of any Event of Force Majeure shall (i) extend the Commencement Date, (ii) excuse, extend or abate Subtenant's obligation to pay Rent and other sums that it owes hereunder, (iii) excuse Subtenant's inability to perform its obligations hereunder because of inadequate finance, or (iv) excuse Subtenant's failure to surrender the Subleased Premises to Sublandlord, in accordance with the requirements of this Sublease, upon the expiration or termination of this Sublease or Subtenant's right to possession of the Subleased Premises.

(d) Holdover. Unless Sublandlord expressly agrees otherwise, in writing, if Subtenant remains in possession of the Subleased Premises after the expiration or earlier termination of this Sublease, then Subtenant shall be deemed a tenant at sufferance on all of the terms of this Sublease, except the Monthly Rent shall equal one hundred fifty percent (150%) of the Monthly Rent due during the month immediately preceding the expiration or termination hereof. The foregoing sentence shall in no event be construed to permit Subtenant to remain in possession of the Subleased Premises after the expiration or termination of this Sublease. Subtenant shall be liable to Landlord and Sublandlord for all losses, costs, damages and expenses (including, without limitation, consequential damages, reasonable attorney's fees, court costs and litigation expenses) that either of them suffers or incurs because of any holding over by Subtenant. Subtenant shall indemnify, defend and hold harmless Sublandlord from and against all claims, lawsuits, liabilities, damages, costs and expenses (including, without limitation, reasonable attorneys' fees, court costs and litigation expenses) that either of them suffers or incurs as a result of Subtenant's failure to immediately surrender possession of the Subleased Premises upon the expiration or termination of this Sublease, in accordance with the terms hereof.

(e) Financial Certificates. If the stock of Subtenant is not traded on a national United States stock exchange, then Subtenant shall, upon written request from Sublandlord (but not more frequently than once during any calendar year) submit to Sublandlord either a certified copy of Subtenant's most recently prepared financial statements, prepared in accordance with U.S. generally accepted accounting principles, or a certified statement setting forth Subtenant's Net Worth signed by an officer of Subtenant. Sublandlord shall keep confidential all financial statements, certificates and information that Subtenant furnished to Sublandlord pursuant to this section, except to the extent (i) such financial statements, certificates and information is available to the general public, (ii) Subtenant is required to disclose such financial statements, certificates and information in order to comply with Applicable Laws, and (iii) Sublandlord discloses the same to its lender and prospective lenders, to prospective purchasers of Sublandlord's interest in the Project, and to Landlord and its lenders, prospective lenders and prospective purchasers.

(f) Brokers. Subtenant and Sublandlord each (i) represents and warrants to the other that it has not dealt with any real estate broker, finder or listing agent in connection with this Sublease, and (ii) agrees to indemnify, defend and hold harmless the other from and against any claim for a commission, fee or other compensation made by a broker, finder or listing agent with whom it has dealt (or allegedly dealt). The provisions of this section shall survive the expiration or termination of this Sublease.

(g) Successors and Assigns. This Sublease shall be binding on the Sublandlord, Subtenant and their respective successors and assigns.

(h) Relationship. Nothing contained in this Sublease shall be deemed or construed as creating a partnership, joint venture, agency or other similar relationship between Sublandlord and Subtenant.

(i) Severability. If any provision of this Sublease is found by a court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of this Sublease will not be affected, and in lieu of each provision that is found to be illegal, invalid or unenforceable, a provision will be added as a part of this Sublease that is as similar to the illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

(j) Entire Agreement and Modification. This Sublease constitutes the entire agreement between the parties with respect to the Subleased Premises, and all prior negotiations and understandings shall be deemed incorporated herein. This Sublease may only be amended or modified by a written instrument signed by both Sublandlord and Subtenant.

(k) No Waiver. No waiver by Sublandlord or Subtenant of any provision or breach of this Sublease shall be deemed to have been made unless the same is in writing, and no waiver of any provision or breach of this Sublease shall be deemed a waiver of any other provision or breach. Sublandlord's or Subtenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Sublandlord's or Subtenant's consent to or approval of any subsequent act.

(l) Submission. The submission of this Sublease does not constitute an offer, and this document shall become effective and binding only upon the execution and delivery hereof by both Sublandlord and Subtenant. Furthermore, copies of this Sublease that have not been executed and delivered by both Sublandlord and Subtenant shall not serve as a memorandum or other writing evidencing an agreement between the parties.

(m) Memorandum of Sublease. Upon either party's written request, Sublandlord and Subtenant shall promptly execute and record a memorandum of this Sublease in substantially the form attached as **Exhibit G**; provided the cost of recording such memorandum shall be borne by the requesting party. This Sublease shall not be recorded in its entirety unless Sublandlord and Subtenant agree otherwise, in writing.

(n) Attorney Fees. In the event of any lawsuit between the parties arising from or relating to this Sublease, the prevailing party in such lawsuit shall be entitled to recover its reasonable costs, expenses and attorneys' fees from the non-prevailing party therein, including, but not limited to, court costs, professional fees and other litigation expenses through all appellate levels and in bankruptcy court. This section shall survive the expiration or termination of this Sublease.

(o) Exhibits. Sublandlord and Subtenant acknowledge and agree that all exhibits and addenda referenced in this Sublease are attached hereto and incorporated herein by reference.

(p) Governing Law. This Sublease shall be governed by the laws of the State of Missouri.

(q) WAIVER OF TRIAL BY JURY. EACH OF SUBLANDLORD AND SUBTENANT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS SUBLEASE (OR ANY AGREEMENT FORMED PURSUANT TO THE TERMS HEREOF) OR (ii) IN ANY MANNER CONNECTED WITH OR RELATED OR INCIDENTAL TO THE SUBLEASED PREMISES, THE PROJECT, THE DEALINGS OF SUBLANDLORD AND SUBTENANT WITH RESPECT TO THIS SUBLEASE (OR ANY AGREEMENT ENTERED INTO PURSUANT TO THE TERMS HEREOF) OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION WITH THIS SUBLEASE OR THE TRANSACTIONS CONTEMPLATED HEREIN, WHETHER NOW EXISTING OR HEREINAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. EITHER PARTY MAY FILE A COPY OF THIS SECTION WITH ANY COURT AS CONCLUSIVE EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

(r) Sublandlord's Liability. Notwithstanding anything to the contrary contained in this Sublease, the liability of Sublandlord to Subtenant for the default by Sublandlord under the terms of this Sublease shall be limited to Subtenant's actual, but not consequential, damages and shall be recoverable only from Sublandlord. Sublandlord's shareholders, partners, members, officers and directors shall have no personal liability whatsoever under this Sublease. Sublandlord shall have the right to assign all its rights and obligations under this Sublease in connection with an assignment of Sublandlord's interest in the Master Lease, and in such event and upon such assignment, Sublandlord shall be released from any further obligations and liabilities under the Sublease, except for obligations and liabilities arising as a result of any matters occurring prior to such assignment of Sublandlord interest in the Master Lease. If Sublandlord assigns its interest in the Master Lease to any Person, such Person must assume, in writing and for the benefit of Subtenant, all of Sublandlord's obligations and liabilities under this Sublease first arising from and after the date of such assignment.

(s) Consents. Unless otherwise expressly stated herein, whenever Sublandlord's or Subtenant's consent is required under this Sublease, such consent shall not be unreasonably withheld, qualified or delayed.

(t) Cooperation. Upon either party's request (the "Requesting Party"), the other party agrees to cooperate with, assist and join in the Requesting Party's efforts to obtain any governmental permits, licenses and approvals that the Requesting Party deems necessary or desirable for its use of the Project or any Alterations; provided, (i) the Requesting Party's actions do not and will not result in a violation of this Sublease or the Master Lease, and (ii) the other party shall not be required to incur any costs, liabilities or obligations in connection therewith.

(u) Counterparts and Signatures. This Sublease may be executed in separate counterparts and it shall be fully executed when each party whose signature is required has signed at least one (1) counterpart even though no one (1) counterpart contains the signatures of all of the parties to this Amendment. Electronic signatures shall be valid and sufficient to bind any party to this Sublease. Signatures to this Sublease transmitted by facsimile, email or other electronic transmission (for example, through the use of a Portable Document Format or "PDF file) shall be valid and effective to bind the party so signing. The exchange of copies of this Sublease and of signature pages by electronic mail or other means of electronic transmission (including, without limitation, pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) will constitute effective execution, delivery and performance of this Sublease as to the parties. Signatures of the parties transmitted by electronic mail or other means of electronic transmission (including, without limitation, pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) will be deemed to be their original signatures for all purposes.

IN WITNESS WHEREOF, the parties hereto have entered into this Sublease on the date first above written.

Sublandlord:

Smith & Wesson Sales Company

By: */s/ Mark P. Smith*
Name: Mark P. Smith
Title: President

Subtenant:

American Outdoor Brands, Inc.

By: */s/ Brian D. Murphy*
Name: Brian D. Murphy
Title: President and Chief Executive Officer

SUPPLY AGREEMENT

This Supply Agreement (the "Agreement") is dated as of August 24, 2020 (the "Effective Date") by and between **Smith & Wesson Inc.**, a Delaware corporation having its principal address at 2100 Roosevelt Avenue, Springfield, MA 01104 (hereinafter referred to as "S&W"), and **Crimson Trace Corporation**, a corporation organized under the laws of the State of Oregon having its principal address at 1800 North Route Z Columbia, MO 65202 (hereinafter referred to as "Supplier").

WITNESSETH:

WHEREAS, S&W wishes to purchase from Supplier and Supplier wishes to sell to S&W certain Products (as defined below) in accordance with the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the premises, mutual promises, and the representations, warranties and covenants herein contained, the sufficiency of which is hereby mutually acknowledged, the parties agree as follows:

1. DEFINITION OF TERMS

As used in this Agreement, the following terms shall have the following meanings, respectively:

1.1. "Confidential Information" shall mean all drawings, designs, sketches, blueprints, technical specifications, engineering calculations, models, formulas, data, reports, interpretations, forecasts, and records of a party, and all other confidential information concerning such party's business, whether in written, oral, or any other form or medium, and whether or not labeled as confidential by such party, but excluding the same which (a) is or becomes generally available to and known by the public other than as a result of the other party's breach of Section 9.1, or (b) becomes available to the other party on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information.

1.2. "Delivery Date(s)" shall mean the date or dates requested for delivery of Products as set forth in any Order.

1.3. "Order" shall mean a written purchase order by S&W that may be transmitted electronically to Supplier or otherwise sent to Supplier in any manner mutually agreed to by the parties.

1.4. "Price" shall mean the prices for the Products set forth on Schedule B hereto.

1.5. "Product(s)" shall mean the laser sighting devices as more particularly described in Schedule A hereto and conforming to the specifications ("Specifications") set forth in Schedule A.

1.6. "Supplier MOQ" means a minimum purchase requirement imposed on Supplier when procuring any Product to complete any Order.

2. TERM

2.1. Term. This Agreement shall become effective as of the Effective Date and shall continue for a period of 24 months, unless earlier terminated in accordance with its terms (the "Term"). Not later than six (6) months prior to the expiration of this Agreement, the parties shall engage in good faith discussions regarding any renewal or extension of this Agreement. The "Term" of this Agreement shall include the Initial Term and any renewal or extension terms.

3. MANUFACTURE; SALE; LICENSE

3.1. Sale. Supplier agrees to sell and S&W agrees to purchase Products from Supplier in accordance with the terms and conditions set forth in this Agreement.

3.2. Orders. Unless otherwise agreed to by S&W in writing, no Products shall be supplied hereunder without the issuance by S&W to Supplier of an Order for such Products. Supplier's acceptance of an Order shall be confirmed upon the earlier of a written confirmation or delivery of the Products set forth in such Order. Except as set forth in this Agreement, Supplier may not reject an Order. In addition, except as set forth in this Agreement, Supplier may only cancel an Order already accepted if S&W is in breach of this Agreement. The terms and conditions of this Agreement shall be deemed incorporated into and made a part of each Order, and shall supersede and control over any inconsistent or contradictory provisions of any quote, acknowledgment of Order, invoice or any other document of Supplier or S&W (including any Order issued by S&W).

3.3. Forecasts. Upon execution of this Agreement, S&W shall provide to Supplier a forecast including a good faith estimate of S&W's requirements for Products (a "Forecast") for the 6-month period beginning on the Effective Date. No later than the sixty (60) days prior to the first day of each subsequent 6-month period during the Term, S&W shall deliver to Supplier a Forecast for the period beginning with the first day of such subsequent 6-month period. Forecast are for informational purposes only and do not create any binding obligations on behalf of either party; provided, however, that Supplier shall not be required to sell to S&W, and may in its sole discretion reject (without penalty or liability) any Order for, any quantity of Products that is not set forth in any Forecast for the period covered by such Forecast.

3.4. Minimum Orders; Exclusivity. In the event Supplier is subject to a Supplier MOQ when sourcing Product to complete any Order submitted by S&W hereunder and the quantity of Product originally set forth in the Order is less than the Supplier MOQ, the Parties agree to either reissue the Order to equal the Supplier MOQ, allow S&W to cancel its Order, or otherwise revise the Order to avoid the Supplier MOQ either by modifying the Product design or by changing to a different Product. During the Term of this Agreement, except as otherwise provided in this Agreement, S&W shall purchase Products exclusively from Supplier. During the Term, S&W will not, directly or indirectly, interfere with Supplier's relationships with its suppliers or except as otherwise provided in this Agreement, otherwise contract with any such suppliers for the purchase, manufacturing, or license of any Products. Except for laser Products, notwithstanding anything in this Agreement to the contrary, S&W may, enter into arrangements pursuant to which S&W may purchase nationally recognized third party branded products ("Co-Branded Products"), which may be the same as or similar to Products sold by Supplier, in order to integrate, or co-brand with S&W products, or otherwise promote S&W products in conjunction with the products of a third party. Notwithstanding anything in this Agreement to the contrary, S&W may manufacture, directly or through an Affiliate, or purchase from a third party, any "Promotional Products" (as herein defined). "Promotional Products" shall mean any products that will be used by S&W or any Affiliate for promotional purposes or giveaway purposes, and not directly tied to a revenue generating transaction. The exclusivity provisions of Section 3.4, Right of First Proposal provisions of Section 3.5 and any other restrictions in this Agreement shall not apply to Promotional Products.

3.5. Right of First Proposal. Supplier shall have, and S&W hereby grants to Supplier, a right of first proposal to supply (i) any aiming assistance devices to be used on S&W products and (ii) any products that are similar to the Products but are materially different in a manner that justifies a change in pricing as reasonably determined by the Parties (examples of such material differences are significant size differences, co-branding, material construction or quality differences; whereas non-material differences would be minor cosmetic changes such as colors, patterns, cosmetic finishing (and all of such products with non-material differences shall continue to be "Products" hereunder)) ((i) and (ii), collectively, "Proposed Products") to

S&W and its affiliates (the "Right of First Proposal"); provided, however, such Right of First Proposal shall not apply to any product that is being manufactured for S&W by a third party as of the Effective Date. S&W shall provide written notice specifically referencing this Section 3.5 to Supplier of any Proposed Products S&W proposes to purchase prior to purchasing, or entering into any contract to purchase, such Proposed Products. Supplier shall have thirty (30) days from the receipt of such notice to provide a pricing proposal (which shall include terms regarding delivery, lead times and product performance) to S&W to supply such Proposed Products to S&W under this Agreement. If S&W accepts such pricing proposal, such Proposed Products shall become "Products" hereunder, and S&W and Supplier shall update the Schedules to this Agreement to incorporate the information applicable to such Proposed Products.

3.6. Access to S&W's Facilities. If in providing Products or related services under this Agreement, Supplier shall require access to S&W's facilities: (i) any such access by Supplier and its personnel shall be subject to the U.S. International Traffic in Arms Regulations and S&W's security policies from time to time in effect, which limit those individuals who may access S&W's facilities; and (ii) Supplier shall satisfy any requirements of S&W to provide insurance, which may be in addition to the insurance otherwise required under this Agreement, on account of Supplier's activities on S&W's site.

3.7. Manufacturing Facility. In manufacturing any Products, Supplier shall maintain an organization and facilities, including, without limitation, suitable equipment and tools, in accordance with standards generally accepted in the industry, and employ adequately trained and competent personnel in all functions. Supplier will keep complete and accurate records in all material respects with respect to Products it manufactures pursuant to this Agreement. Supplier shall, upon S&W's request from time to time by providing at least 7 days prior notice, allow S&W or its representatives access to Supplier's facilities to inspect the manufacture and assembly of the Products during reasonable hours, and provide S&W with such records in the possession of Supplier, as S&W may reasonably request, relating to the manufacture of Products and the source of any raw materials and components used in the Products; provided, however, in no event shall such inspection interfere with the business of Supplier.

3.8. License to Products and Patents in Products. During the term of this Agreement, Supplier hereby grants S&W a royalty-free, nontransferable, nonsublicenseable, worldwide, non-exclusive license to offer to sell and sell firearms that incorporate the Products. The grant of such license shall be effective upon the signing of this Agreement.

3.9. License to Supplier Trade and Service Marks and Trade Dress. During the term of this Agreement, Supplier hereby grants S&W a royalty-free, nontransferable, nonsublicenseable, worldwide, non-exclusive license to use Supplier trademarks, service marks, and trade dress ("Supplier Marks") in connection with the Products. This license is subject to the following restrictions: S&W will use the Supplier Marks only in ways that reflect favorably on Supplier and its products, and shall not use the Supplier Marks in any way that is immoral, illegal, or scandalous or in any way that could impair the reputation of Supplier or the Supplier Marks, and S&W will not obscure, deface or remove the Supplier Marks on the Products. In any promotional or advertising material in any media, S&W will identify the Supplier Marks as belonging to Supplier, using words to the effect that "Crimson Trace trademarks are property of Crimson Trace Corporation, Portland, Oregon, and are used by permission."

4. ORDERING; DELIVERY

4.1. Deliveries. Unless otherwise specified in an Order (and agreed to by Supplier) or as set forth below, all deliveries shall be FOB Origin, Supplier's plant in Wilsonville, Oregon. Title to Products shall pass to S&W at such point and S&W shall assume all risk of loss of any Products after such point, including while any Products are in the possession, custody or control of a carrier. All deliveries from outside of the United States shall be FOB Destination. Title to such Products shall pass to S&W at such

destination point and S&W shall assume all risk of loss of any such Products after such destination point. Supplier shall (i) pack the Products in such a manner as to insure against damage from weather or transportation costs, and (ii) label such Products and provide instructions and other information, including, without limitation, Material Safety Data Sheets, as required by any applicable law or regulations or for proper use of the Products.

4.2. Shipping. For Products that shall have a delivery point of FOB Origin, S&W shall pay the costs of shipping such Products from such point to S&W in accordance with its Orders (but, for the avoidance of doubt, S&W shall pay for the cost of any insurance on such Products after transfer of risk of loss and title of such Products as set forth in Section 4.1). In preparing its shipment of Products, Supplier shall comply with S&W's shipping guidelines in effect as of the Effective Date. If, in order to comply with S&W's required Delivery Date, Supplier must ship by a more expensive way than specified in this Agreement or in an Order, any resulting increased transportation costs shall be paid for by Supplier unless the necessity for such rerouting or expedited handling has been caused by S&W.

4.3. Lead Times. Lead times for delivery of the Products are set forth in Schedule C to this Agreement (the "Lead Times"). Supplier shall deliver Products ordered by S&W by the applicable Delivery Date set forth in S&W's Order, so long as the Delivery Date is consistent with the Lead Times. If applicable Lead Times are not set forth in Schedule C, the Delivery Date shall be such date as reasonably agreed to by the parties.

4.4. Production Capacity. Supplier shall maintain sufficient production capacity as to be able to supply Products in accordance with any reasonable S&W forecasts and the Lead Times. Supplier shall notify S&W as soon as is reasonably possible of any inability by Supplier to produce and deliver Products in such quantities as are necessary to meet S&W's anticipated volume requirements.

4.5. Remedies for Late Delivery. Supplier shall use commercially reasonable efforts to deliver all Products on or before the Delivery Date as set forth in Section 4.3 above. If Supplier fails to deliver Products within 14 days of the Delivery Date and if such delay is not due to any action or inaction of S&W or otherwise excused in accordance with this Agreement, S&W shall receive a 10% discount on such Order or S&W may, at its sole discretion, cancel its Order for such Products by giving Supplier written notice of such cancelation prior to shipment of the Products for such Order and procure similar products from another source. Subject to S&W's rights under this Section 4.5, no delay in the shipment or delivery of any Products relieves S&W of its obligations under this Agreement, including accepting delivery of any remaining installment or other Orders of Products.

4.6. Changes. S&W may, at any time, make changes in quantities, packaging, time and place of delivery, and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for performance or delivery, an equitable adjustment shall be made, provided that Supplier notifies S&W, within seven days after S&W notifies Supplier of any such change, of any proposed increase in price or delay in delivery resulting from such change, and if the parties are then unable to agree on an adjustment, S&W may cancel all or any part of its Order subject to Section 4.7 below.

4.7. Cancellation. S&W may cancel all or any part of any unshipped portion of its Order without obligation hereunder except to make payment for the Products actually shipped prior to such cancellation and, with respect to any cancelled Non-Stock Items, to pay Supplier for direct costs incurred by Supplier in connection with such cancelled Non-Stock Products, including without limitation production and facility costs and Supplier's costs for cancelling any orders with its suppliers. In no event shall S&W be liable under this Section 4.7 with respect to a cancellation for more than the price of the applicable Products. Title to any unfinished work-in-process paid for by S&W shall vest in S&W. For purposes hereof, "Non-Stock Items" are Products manufactured exclusively for S&W (or its affiliates).

5. TERMS AND CONDITIONS OF PURCHASE

5.1. Prices. Prices for the Products shall be those prices set forth in Schedule B attached hereto. The Product prices include all charges for Supplier's boxing, packaging, packing, crating, storage and handling, to the F.O.B. point, freight costs to ship pursuant to the Order and duties (but excluding any insurance on the Products during shipment of the Products after transfer of risk and title as set forth in Section 4.1). In addition, Supplier shall be liable for any applicable sales, use or similar taxes, excises, and similar charges, which shall be separately invoiced to S&W. The pricing formulas set forth in Schedule B shall remain firm for the Term.

5.2. Payment. S&W shall pay the price of Products ordered by S&W after receipt by S&W of such Products and of an invoice from Supplier for such Products. Supplier's invoice shall specify the Order number, Order date, a general description of the Products supplied, the date of supply, and the sum due. Unless otherwise stated, S&W's payment shall be due 30 days after S&W's receipt of Supplier's invoice in accordance with this Agreement. S&W shall be entitled to any cash discount period available to Supplier's customers. Supplier shall be solely responsible for filing all appropriate tax forms and paying all applicable sales, use and similar taxes, duties, export preparation charges and export documentation charges resulting from the sale of the Products under this Agreement. Any payment by S&W under this Agreement shall not relieve Supplier from any obligations hereunder with respect to defective Products.

5.3. Late Payments. S&W shall pay interest on all late payments (whether during the Term or after the expiration or earlier termination of the Term), calculated daily and compounded monthly, at the lesser of 10% per year or the highest rate permissible under applicable law. S&W shall also reimburse Supplier for all costs incurred by Supplier in collecting any late payments, including reasonable attorneys' fees and court costs. In addition to all other remedies available under this Agreement or at law, if S&W fails to pay any amounts when due under this Agreement, other than amounts disputed by S&W in good faith, Supplier may (a) suspend the delivery of any Products, and (b) reject S&W's Orders or cancel accepted Orders.

5.4. Rejection. Payment for Products delivered hereunder shall not constitute S&W's acceptance thereof. S&W shall have the right within 14 days of receipt (the "Inspection Period") to inspect any Products and to reject the same to the extent (i) the amount of Product is more than the amount requested in the Order (but such rejection right shall only be with respect to the excess amount), (ii) the Product is materially damaged or (iii) for obvious and apparent deviations from the Specifications for such Product, which are obvious without opening the packaging for each Product ("Nonconforming Products"). S&W will be deemed to have accepted Products unless it provides Supplier with written notice of any Nonconforming Products within the Inspection Period, stating with specificity all defects and nonconformities, and furnishing such other written evidence or other documentation as may be reasonably required by Supplier. If S&W timely notifies Supplier of any Nonconforming Products and Supplier agrees that such Products are Nonconforming Products, Supplier shall either, at S&W's election: (a) replace such Nonconforming Products with conforming Products; or (b) refund to S&W such amount paid by S&W to Supplier for such Nonconforming Products returned by S&W to Supplier and cancel the Order for such returned Nonconforming Products. If S&W elects to replace Nonconforming Products, Supplier shall ship, at Supplier's expense and risk of loss, the replacement Products.

6. WARRANTY; SUPPORT

6.1. Supplier's Warranty. For a 12 month period from the expiration of the Inspection Period for such Products, Supplier warrants that the Products furnished under this Agreement shall (i) conform in every respect to any specifications provided by Supplier to S&W; (ii) be new and free from material defects in material or workmanship; (iii) be adequately contained, packaged, marked, and labeled; (iv) conform to

any and all applicable technical and safety provisions and comply in all respects with any and all applicable federal, state and local laws, regulations, directives and standards including, without limitation, those concerning safety, labor, health and the environment; and (v) be appropriate for the purpose for which the Product is intended to be used. Inspection, testing, acceptance or use of the Products shall not affect Supplier's obligation under this warranty, and such warranty shall survive inspection, testing, acceptance and use. The foregoing shall not limit, however, Supplier's standard warranty for a Product provided to the end-user (consumer purchaser) of such Product as set forth on the packaging of such Product ("End-User Warranty"), and S&W may sell the Products to end-users subject to Supplier's End-User Warranty.

6.2. Warranty Limitations. The warranty set forth in Section 6.1 does not apply to any Product that: (i) has been subjected to abuse, misuse, neglect, negligence, accident, improper testing, improper installation, improper storage, improper handling, abnormal physical stress, abnormal environmental conditions or use contrary to any instructions issued by Supplier; (ii) has been reconstructed, repaired or altered by persons other than Supplier or its authorized representatives; or (iii) has been used with any third-party products, hardware or product that has not been previously approved in writing by Supplier, provided that any Product may be used with any other product offered by S&W or any affiliate of S&W ("S&W Products") to the extent S&W provided prior written notice to Supplier that such Product would be used with such specific S&W Product. In addition, in no event shall Supplier be liable or responsible for any warranty provided to end-users of the Product greater than Supplier's End-User Warranty.

6.3. DISCLAIMER. EXCEPT FOR THE END-USER WARRANTY, EXCEPT TO THE EXTENT LIMITATIONS ON PRODUCT WARRANTIES TO CONSUMERS ARE NOT PERMITTED BY APPLICABLE LAW, AND EXCEPT FOR THE PRODUCT WARRANTY SET FORTH IN SECTION 6.1 AND THE OTHER EXPRESS REPRESENTATIONS AND WARRANTIES OF SUPPLIER SET FORTH IN THIS AGREEMENT, (A) NEITHER SUPPLIER NOR ANY PERSON ON SUPPLIER'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR TITLE, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED, AND (B) S&W ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY SUPPLIER, OR ANY OTHER PERSON ON SUPPLIER'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

7. PRODUCT CAMPAIGNS; INDEMNIFICATION

7.1. Product Recalls. If any Products have been manufactured by or for Supplier in a manner that is inconsistent with Product Specifications or if any Products otherwise do not comply with Supplier's warranty, and S&W requests Supplier to recall such Products for safety reasons, then Supplier shall determine, under its recall standards, whether a recall of any Products should be made. If Supplier determines that for any reason a recall of such Products should be made, then Supplier shall recall such Products at its own expense. In such case, S&W shall take all reasonable actions requested by Supplier to assist in such a recall. S&W shall not modify or retrofit any Product as part of any recall or retrofit campaign by S&W without Supplier's prior written consent, which shall not be unreasonably withheld.

7.2. Indemnification Generally. Without limiting any other remedies available to the parties, each party shall indemnify, defend and hold the other party and its respective officers, directors, employees, agents, customers, subsidiaries, parents and affiliates (each a "Protected Party") harmless from and against any and all claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, suits, damages, losses, deficiencies, liabilities, obligations, commitments, costs or expenses of any kind or nature (including reasonable legal and other expenses) incurred by such Protected

Party (altogether "Losses") resulting from: (i) any breach of the representations, warranties, covenants, agreements and obligations of such party hereunder (including, with respect to Supplier, a breach of its End-User Warranty); or (ii) any negligent or willful acts or omissions of such party, its directors, officers, employees, agent, contractors, subsidiaries, parents, affiliates or those acting for any of them, except to the extent any damages or liabilities are directly caused by the willful misconduct of the Protected Party. Without limiting any other remedies available to the parties, Supplier shall indemnify, defend and hold S&W and its officers, directors, employees, agents, customers, subsidiaries, parents and affiliates (each a "S&W Protected Party") harmless from and against (iii) any and all Losses resulting from any failure of any Product to comply with applicable law, or (iv) S&W's direct costs under any Product recall under Section 7.1. This Section will survive the termination or expiration of this Agreement.

7.3. IP Indemnification. Supplier shall indemnify, defend and hold harmless S&W and its Protected Parties from and against all claims by a third party alleging that any of the Products infringe any Intellectual Property Right of a third party, except to the extent the same relates to or results from (i) use of S&W's trademarks, or (ii) Supplier's compliance with any Specifications or design supplied by S&W. If the Products, or any part of the Products, becomes, or in Supplier's reasonable opinion is likely to become, subject to a Third Party Claim that qualifies for intellectual property indemnification coverage under this Section 7.3, Supplier shall notify S&W in writing to cease using all or a part of the Products, in which case S&W shall immediately cease all such use of such Products and Supplier shall use its best efforts to provide Products or similar substitute Products that are non-infringing to S&W.

7.4. Defense of Third Party Indemnifiable Claims. If a Protected Party seeks indemnification or damages (the "Indemnified Party") under this Agreement from the other party (the "Indemnifying Party") for any claim asserted, against such Indemnified Party by a third party (a "Third Party Claim"), the Indemnified Party shall, promptly upon gaining knowledge of such Third Party Claim, deliver to the Indemnifying Party notice of such Third Party Claim with sufficient detail as to why the Indemnifying Party is responsible for such Third Party Claim; provided, that a failure by the Indemnified Party to give such notice in the manner required pursuant to this Section 7.4 shall not limit or otherwise affect the obligations of the Indemnifying Party under this Agreement, except to the extent that Indemnifying Party is actually prejudiced with respect to the rights available to the Indemnifying Party with respect to such Third Party Claim, and then only to the extent of any such actual prejudice. The Indemnifying Party shall have the right, at its sole option and expense, to appoint counsel of its choice, which must be reasonably satisfactory to the Indemnified Party, and to defend against, negotiate, settle or otherwise deal with such Third Party Claim in lieu of the Indemnified Party defending or settling such claim; provided, the Indemnifying Party shall not have the right to defend such Third Party Claim if such Third Party Claim seeks relief other than the payment of monetary damages.

7.5. Exclusion from Indemnification. Notwithstanding anything in this Agreement to the contrary, in no event shall Supplier be liable for, or be required to indemnify S&W or its Protected Parties for, Losses arising from (i) the use of the Products in any manner not otherwise authorized under this Agreement or that does not materially conform with any usage instructions provided by Supplier, (ii) S&W's marketing, advertising, promotion or sale of any product containing the Products, except to the extent such marketing or promotion is consistent with materials provided by Supplier; (iii) Supplier's compliance with any Specifications or design supplied by S&W; or (iii) any modifications or changes made to the Products by or on behalf of any person other than Supplier.

8. INSURANCE

8.1. Insurance. Supplier shall, at its expense, obtain and maintain in full force and effect insurance policies with minimum limits of coverage as follows:

(i) Commercial General Liability Insurance including Contractual Liability, Products and Completed Operations Liability, Broad Form Property Damage Liability including coverage for contractual liability. Limits of liability will not be less than $1,000,000 USD each occurrence and $2,000,000 USD aggregate. Commercial General Liability insurance will be written on an occurrence basis.

(ii) Excess (Umbrella) Liability underlying the insurances described in subsections (i) and (ii), in an amount of not less than $1,000,000 USD per occurrence. Excess (Umbrella) Insurance will be written on an occurrence basis.

8.2. Additional Insured. The Supplier will cause "Smith & Wesson Inc. " to be named as an additional insured on the Commercial General Liability, and Excess (Umbrella) Liability policies. The Supplier will deliver annually a certificate of insurance evidencing the coverage's required by this Agreement. The certificates of insurance will clearly state: "This is primary insurance without recourse to similar insurance maintained by the additional insured or its subsidiaries and affiliates, if any."

8.3. Notice of Cancellation. The Supplier will be required to provide not less than thirty (30) days' prior notice of cancellation, intention not to renew, or material change in coverage; provided, however, that no reduction, cancellation or material changes in any policy will relieve the Supplier of Supplier's obligation to maintain coverages in accordance with this Agreement.

8.4. Subrogation. The Supplier, on behalf of the Supplier and Supplier's insurers, hereby waives subrogation against S&W and its Affiliates under the insurance coverages maintained by the Supplier pursuant to this Agreement for losses or claims arising out of the insured party's acts or omissions. Evidence of such waiver reasonably satisfactory in form and substance to S&W will be exhibited on the Certificates of Insurance required by this Agreement.

8.5. Limits. The limits of liability set forth above may be afforded by any combination of primary and excess liability insurance as long as the insurance coverage provided by the excess liability insurance is as broad as that provided by the primary insurance.

9. CONFIDENTIALITY

9.1. Non-Use and Non-Disclosure. Neither party shall use the other party's Confidential Information except for the purpose of performing its obligations under this Agreement ("Purpose"). Each party shall protect the Confidential Information of the other party from disclosure and unauthorized use in the same manner that it protects its own proprietary and confidential information of like nature, but in no event shall such standard of care be less than reasonable care. Supplier may disclose the Confidential Information of the other party only to those of its employees, subcontractors, contractors, directors, advisors, auditors, attorneys and consultants who require such information for the Purpose and who are subject to confidentiality obligations at least as protective as those set forth herein. Each party shall immediately notify the other party in the event of any unauthorized use or disclosure of the other party's Confidential Information. In the event that a party's Confidential Information is required to be disclosed by the other party pursuant to law, regulation or valid court order, the other party shall be permitted to make such disclosure; provided, however, that (i) it shall promptly notify the party of the fact in writing to permit the party the reasonable opportunity to appear in any judicial proceeding involved or otherwise to act to preserve its rights; and (ii) such disclosure is no greater than what was required to be compliant with such law, regulation or order.

9.2. Survival of Non-Use and Non-Disclosure Obligations. All non-use and non-disclosure obligations concerning Confidential Information shall survive for a period of five (5) years (except for trade secrets, which shall continue in full force and effect indefinitely) from the date of expiration or termination of this Agreement.

9.3. Injunctive Relief. Both parties acknowledge that disclosure or unauthorized use of the other's Confidential Information will cause irreparable harm to the party, inadequately compensable in damages, and that the party may obtain injunctive relief to prevent any disclosure or unauthorized use of its Confidential Information. If a party is successful in any action to enforce the other's obligations under this Section, that party shall be entitled to recover reasonable attorneys' fees and court costs.

9.4. Return of Property. Upon the termination or expiration of this Agreement, each party agrees to end all further use of and to delete or destroy all copies of (and upon request, provide a written certification of such deletion or destruction), any and all such other party's Confidential Information, in whatever form, which are in possession of or under the control of such party.

10. OTHER COVENANTS.

10.1. Compliance with Laws by Supplier. Supplier, and any Products or related services supplied by Supplier, shall comply with all applicable Federal, state and local laws, rules, regulations, orders, conventions, ordinances or standards, including, without limitation, those that relate to the manufacture, labeling, transportation, importation, exportation, use, operation, licensing, approval or certification of the Products or related services, and including, without limitation, the U.S. Foreign Corrupt Practices Act, the U.S. International Traffic in Arms Regulations and the U.S. Export Administration Regulations. Supplier shall comply with Executive Order No. 11246, as amended, The Rehabilitation Act of 1973, The Vietnam Era Veterans Readjustment Assistance Act of 1974, and any related rules and regulations, and any other law, order or regulation required to be included herein, as a result of S&W's use of Products or related services ordered in or for S&W's performance of contracts with any governmental authority. This shall include, without limitation, an obligation by Supplier to take affirmative action to employ and advance in employment qualified individuals with disabilities, and qualified special disabled veterans, veterans of the Vietnam era and any other veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge has been procured. Supplier further represents that neither it nor any of its subcontractors will utilize slave, prisoner or any other form of forced or involuntary labor in the supply of the Products or any services under this Agreement. Supplier shall furnish S&W, upon request from time to time, in such form as S&W may designate, certificates of Supplier's compliance with any such laws, orders and regulations. At S&W's request, Supplier shall certify in writing its compliance with the foregoing.

10.2. Compliance with Laws by S&W. S&W shall comply with all applicable Federal, state and local laws, rules, regulations, orders, conventions, and ordinances, including, without limitation, those that relate to the purchase, resale, exportation, use, operation, licensing, approval of such Products, as applicable, and including, without limitation, the U.S. Foreign Corrupt Practices Act, the U.S. International Traffic in Arms Regulations and the U.S. Export Administration Regulations.

11. TERMINATION

11.1. Termination for Bankruptcy or Insolvency. Unless expressly prohibited by applicable law, either party may terminate this Agreement immediately for cause by providing notice to the other party if the other party: (a) commences or becomes the subject of any case or proceeding under the bankruptcy, insolvency or equivalent laws of the United States; (b) has appointed for it or for any substantial part of its property a court appointed receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official; (c) makes an assignment for the benefit of its creditors; (d) admits in writing its inability to generally to pay its debts as they become due; or (e) takes corporate action in furtherance of any of the foregoing (collectively, herein referred to as "Events of Insolvency"). Each party shall immediately give the other party written notice of any Event of Insolvency with respect to such party.

11.2. Termination for Breach. Either party may terminate this Agreement 30 days after giving notice of the other party's material breach or default of this Agreement, including any four late deliveries by Supplier in a six-month period that would permit S&W to cancel its order pursuant to Section 4.5, provided that such breach shall continue and not be cured within 30 days after such notice (or, if not able to be cured within 30 days, within a commercially reasonable time period for such cure).

11.3. No Liability. Except as provided in Section 11.4, neither party shall be liable for any damage of any kind (whether direct or indirect) incurred by the other party by reason of the expiration or earlier termination of this Agreement. Termination of this Agreement will not constitute a waiver of either Party's rights, remedies or defenses under this Agreement, at law, in equity or otherwise.

11.4. Effects of Expiration or Termination. Upon the expiration or earlier termination of this Agreement, all indebtedness of S&W to Supplier under this Agreement, of any kind, shall become immediately due and payable to Supplier, without further notice to S&W. Expiration or termination of this Agreement will not affect any rights or obligations of the parties that (i) come into effect upon or after termination or expiration of this Agreement; or (ii) otherwise survive the expiration or earlier termination of this Agreement pursuant to Section 12.10 and were incurred by the parties prior to such expiration or earlier termination. Except as otherwise agreed to by Supplier, any notice of termination under this Agreement automatically operates as a cancellation of any deliveries of Products to S&W that are scheduled to be made subsequent to the effective date of termination, whether or not any orders for such Products had been accepted by Supplier.

12. MISCELLANEOUS

12.1. Notices. All notices in connection with this Agreement shall be in writing, and deemed given when personally delivered, or one business day after being dispatched by nationally recognized overnight courier, or five business days after being mailed, postage prepaid, by certified or registered mail, return receipt requested, addressed to the other party hereto at the following address:

TO S&W:

Smith & Wesson Brands, Inc.
2100 Roosevelt Ave.
Springfield, MA 01104
Attn: General Counsel

TO SUPPLIER:

Crimson Trace Corporation
1800 North Route Z
Columbia, MO 65202
Attn: General Counsel

With a copy to:

TD Bank, N.A.
2 West Main St., 2nd Floor
Waterbury, CT 06702
Attention: AOB Products Acct Manager

Either party may change its address for notices by notice to the other party.

12.2. Right to Audit.

a. Supplier Audit Right. S&W hereby grants Supplier access to all pertinent records, correspondence, writings, and receipts related to this Agreement, but excluding any of the same subject to the attorney-client privilege or constituting attorney work-product, for the purpose of ensuring S&W's compliance with the terms of the Agreement.

b. S&W Audit Right. Supplier hereby grants S&W access to all pertinent records, correspondence, writings, and receipts related to this Agreement, but excluding any of the same subject to the attorney-client privilege or constituting attorney work-product, for the purpose of ensuring Supplier's compliance with the terms of the Agreement.

c. Maintenance of Records. The parties to this Agreement shall maintain such records and documents for a period of six (6) years after the termination or expiration of this Agreement. Each party shall cooperate fully with the other party on all reasonable requests to audit such records.

12.3. Choice of Law, Venue. This Agreement, and all matters arising out of or relating this to this Agreement, shall be governed by and construed in accordance with the laws of the State of Delaware without regard to the conflict of laws provisions thereof. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement. The parties hereby consent to the exclusive jurisdiction of the courts of the State of Missouri and of the United States District Court for the Eastern District of Missouri for resolution of all claims, differences and disputes which the parties may have regarding, or which arise under, this Agreement, so long as such courts have jurisdiction. Any judgment or other decision of any such court shall be enforceable, without further proceedings, against the named party anywhere in the world where such party is located, does business or has assets.

12.4. Limitation of Liability.

a. NO LIABILITY FOR CONSEQUENTIAL OR INDIRECT DAMAGES. IN NO EVENT SHALL EITHER PARTY OR THEIR REPRESENTATIVES BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT THE OTHER PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

b. MAXIMUM LIABILITY FOR DAMAGES. IN NO EVENT SHALL SUPPLIER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SUPPLIER PURSUANT TO THIS AGREEMENT IN THE YEAR PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

Notwithstanding anything in this Agreement to the contrary, (a) the limits in this Section 12.4 and the limit on the term of Supplier's warranty under Section 6.1 of this Agreement shall not apply to any Losses resulting from third party claims arising from Supplier's breach of its representations, warranties, or covenants in this Agreement, including Sections 6.1 (Supplier's Warranty), 7.1 (Product Recalls), 7.2

(Indemnification Generally), 7.3 (IP Indemnification), and 10.1 (Compliance with Laws by Supplier), in each case so long as S&W complies with Section 7.4; (b) the limits in this Section 12.4 shall not apply to any Losses arising from a party's fraud; (c) the limit in Section 12.4(b) and the limit on the term of Supplier's warranty under Section 6.1 of this Agreement shall not apply to S&W's damages arising out of a Product recall under Section 7.1; and (d) the limits in this Section 12.4 shall not apply to any Losses arising from S&W's breach of Section 3.4 (Exclusivity).

12.5. Assignment. Except as otherwise set forth in this Section 12.5, neither party shall assign or subcontract any portion of this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld. Any assignment without such consent shall be void.

Notwithstanding the foregoing, either party may assign this Agreement to any of its affiliates. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties. Any change of control of Supplier shall be deemed an assignment of this Agreement, for which S&W's consent shall be required.

12.6. No Set-off Right. S&W shall not, and acknowledges that it will have no right, under this Agreement, any Order, any other agreement, document or law to, withhold, offset, recoup or debit any amounts owed (or to become due and owing) to Supplier or its affiliates, whether under this Agreement or otherwise, against any other amount owed (or to become due and owing) to it by Supplier or its affiliates, whether relating to Supplier's breach or non-performance of this Agreement, any Order, any other agreement between S&W or its affiliates and Supplier or its affiliates, or otherwise

12.7. Force Majeure. Neither party hereto shall be liable to the other party hereto for nonperformance or delay in performance of any of its obligations under this Agreement due to the causes beyond its reasonable control including, without limitation, fires, floods, labor troubles or other industrial disturbances, governmental acts or regulations, pandemics, riots, insurrections, lightning, storm, war, and act of the public enemy (herein referred to as "Force Majeure"); provided, however, in no event shall the inability to make payments be an event of "Force Majeure". Upon the occurrence of any such event of Force Majeure, the affected party shall promptly notify the other party of such event and the details surrounding the same and shall keep the other party informed of any further developments of such event. After such event ceases or is removed, the affected party shall perform all its obligations still pending with reasonable promptness, unless this Agreement has been terminated in accordance with its terms. If an event of Force Majeure prevents performance by a party for more than 21 consecutive days ("Prolonged Force Majeure"), either party may, with notice to the other, cancel any Order affected by such Prolonged Force Majeure (an "Affected Order") without any further liability thereunder. In addition, to the extent such Affected Order has been cancelled in accordance with this Section 12.7, S&W may purchase the Product under such Affected Order (up to the amount set forth in such Order) from a third-party. In no event shall S&W purchase more than customarily purchased hereunder during an event of Force Majeure to circumvent the exclusivity provisions of this Agreement.

12.8. Use of Name. S&W shall have a non-exclusive license to use any Supplier-owned trademarks used on or in packaging for Products in connection with S&W's sales and marketing of the Products. Except as expressly permitted by this Agreement, without the prior written consent of the other party, neither party shall use the other party's name or any of its trademarks or logos, including in any advertising or marketing materials.

12.9. Prohibition Against Insider Trading. Supplier hereby acknowledges that United States securities laws, as well as other applicable securities laws and regulations, prohibit any person who has material, non-public information about a company from purchasing or selling the securities of such company or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities. Supplier shall inform each of its employees and subcontractors providing any services in connection with this Agreement of this restriction.

12.10. Survival. Subject to the limitations and other provisions of this Agreement: (a) the representations and warranties of the Parties contained herein will survive the expiration or earlier termination of this Agreement; and (b) Sections 7, 9, 11.3, 11.4, 12.1, 12.2., 12.3, 12.4, 12.5, 12.6, 12.7, 12.8, 12.9, 12.10, 12.11, 12.12, and 12.13 of this Agreement, as well as any other provision that, in order to give proper effect to its intent, should survive such expiration or termination, will survive the expiration or earlier termination of this Agreement for the period specified therein, or if nothing is specified for the applicable statute of limitations. All other provisions of this Agreement will not survive the expiration or earlier termination of this Agreement. Notwithstanding any right under any applicable statute of limitations to bring a claim, no action based upon or arising in any way out of this Agreement may be brought by either party after the expiration of the applicable survival or other period set forth in this Section and the parties waive the right to file any such action after the expiration of the applicable survival or other period; provided, however, that the foregoing waiver and limitation do not apply to the collection of any amounts due to Supplier under this Agreement.

12.11. Severability; Waiver. If any portion of this Agreement shall be invalid or unenforceable or shall violate any applicable law, then such provisions shall be enforced to the maximum extent permitted by law, and such invalidity or unenforceability shall neither invalidate their effect elsewhere nor affect the validity or enforceability of the other provisions of this Agreement. Any failure or delay of either party in exercising any right hereunder (including without limitation, to the right to require performance of any provision of this Agreement) shall not be deemed to be a waiver or relinquishment of such right. Any express waiver or relinquishment of a term or condition of this Agreement shall not be binding or effective unless made in writing signed by the party waiving or relinquishing its rights.

12.12. Entire Agreement. This Agreement, together with any schedules and attachments hereto, constitutes the entire and only agreement between the parties regarding its subject. No modification, change or amendment of this Agreement shall be binding upon the parties except by mutual express consent in writing executed by a duly authorized officer or representative of each of the parties.

12.13. Captions. Captions and headings used in this Agreement are for convenience only, and shall not be of any force and effect in construing this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers as of the day and year first hereinabove written.

SUPPLIER:

Crimson Trace Corporation

By: */s/ Brian D. Murphy*
Name: Brian D. Murphy
Title: President

S&W:

Smith & Wesson Inc.

By: */s/ Mark P. Smith*
Name: Mark P. Smith
Title: President

Exhibit 10.127

SUPPLY AGREEMENT

This Supply Agreement (the "Agreement") is dated as of August 24, 2020 (the "Effective Date"), by and between **Smith & Wesson Inc.**, a Delaware corporation having its principal address at 2100 Roosevelt Avenue, Springfield, MA 01104 ("S&W"), and **AOB Products Company**, a corporation organized under the laws of Missouri having its principal address at 1800 North Route Z Columbia, MO 65202 (hereinafter referred to as "Supplier").

WITNESSETH:

WHEREAS, S&W wishes to purchase from Supplier and Supplier wishes to sell to S&W certain Products (as defined below) in accordance with the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the premises, mutual promises, and the representations, warranties and covenants herein contained, the sufficiency of which is hereby mutually acknowledged, the parties agree as follows:

1. DEFINITION OF TERMS

As used in this Agreement, the following terms shall have the following meanings, respectively:

1.1. "Confidential Information" shall mean all drawings, designs, sketches, blueprints, technical specifications, engineering calculations, models, formulas, data, reports, interpretations, forecasts, and records of a party, and all other confidential information concerning such party's business, whether in written, oral, or any other form or medium, and whether or not labeled as confidential by such party, but excluding the same which (a) is or becomes generally available to and known by the public other than as a result of the other party's breach of Section 9.1, or (b) becomes available to the other party on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information.

1.2. "Delivery Date(s)" shall mean the date or dates requested for delivery of Products as set forth in any Order.

1.3. "Order" shall mean a written purchase order by S&W that may be transmitted electronically to Supplier or otherwise sent to Supplier in any manner mutually agreed to by the parties.

1.4. "Price" shall mean the prices for the Products set forth on **Schedule C** hereto.

1.5. "Product(s)" shall mean the product or products described in **Schedule A** hereto and conforming to the specifications ("Specifications") set forth in **Schedule A**.

1.6. "S&W Licensed Products" means Products licensed by S&W to Supplier as of the Effective Date.

2. TERM

2.1. Term. This Agreement shall become effective as of the Effective Date and shall continue for a period of 24 months, unless earlier terminated in accordance with its terms (the "Term"). Not later than six (6) months prior to the expiration of this Agreement, the parties shall engage in good faith discussions regarding any renewal or extension of this Agreement. The "**Term**" of this Agreement shall include the Initial Term and any renewal or extension terms.

3. SALE OF PRODUCTS

3.1. Sale. Supplier agrees to sell and S&W agrees to purchase Products from Supplier in accordance with the terms and conditions set forth in this Agreement.

3.2. Orders. Unless otherwise agreed to by S&W in writing, no Products shall be supplied hereunder without the issuance by S&W to Supplier of an Order for such Products. Supplier's acceptance of an Order shall be confirmed upon the earlier of a written confirmation or delivery of the Products set forth in such Order. Except as set forth in this Agreement, Supplier may not reject an Order. In addition, except as set forth in this Agreement, Supplier may only cancel an Order already accepted if S&W is in breach of this Agreement. The terms and conditions of this Agreement shall be deemed incorporated into and made a part of each Order, and shall supersede and control over any inconsistent or contradictory provisions of any quote, acknowledgment of Order, invoice or any other document of Supplier or S&W (including any Order issued by S&W).

3.3. Forecasts. Upon execution of this Agreement, S&W shall provide to Supplier a forecast including a good faith estimate of S&W's requirements for Products (a "Forecast") for the 6-month period beginning on the Effective Date. No later than the sixty (60) days prior to the first day of each subsequent 6-month period during the Term, S&W shall deliver to Supplier a Forecast for the period beginning with the first day of such subsequent 6-month period. Forecast are for informational purposes only and do not create any binding obligations on behalf of either party; provided, however, that Supplier shall not be required to sell to S&W, and may in its sole discretion reject (without penalty or liability) any Order for, any quantity of Products that is not set forth in any Forecast for the period covered by such Forecast.

3.4. Exclusivity. During the Term of this Agreement, except as otherwise provided in this Agreement, S&W shall purchase Products exclusively from Supplier. Except as expressly set forth in Sections 4.5 and 12.7, during the Term, S&W will not, directly or indirectly, (i) interfere with Supplier's relationships with its suppliers or (ii) except as otherwise provided in this Agreement, otherwise contract with any suppliers for the purchase, manufacturing, or license of any Products. Except for locks and soft-sided bags, notwithstanding anything in this Agreement to the contrary, S&W may enter into arrangements pursuant to which S&W may purchase nationally recognized third party branded products ("Co-Branded Products"), which may be the same as or similar to Products sold by Supplier, in order to integrate, or co-brand with S&W products, or otherwise promote S&W products in conjunction with the products of such nationally recognized third party. Notwithstanding anything in this Agreement to the contrary, S&W may manufacture, directly or through an Affiliate, or purchase from a third party, any "Promotional Products" (as herein defined). "Promotional Products" shall mean any products that will be used by S&W or any Affiliate for promotional purposes or giveaway purposes, and not directly tied to a revenue generating transaction. The exclusivity provisions of Section 3.4, Right of First Proposal provisions of Section 3.5 and any other restrictions in this Agreement shall not apply to Promotional Products.

3.5. Right of First Proposal. Supplier shall have, and S&W hereby grants to Supplier, a right of first proposal to supply any products that are similar to the Products but are materially different in a manner that justifies a change in pricing as reasonably determined by the Parties (examples of such material differences are significant size differences, co-branding, material construction or quality differences; whereas non-material differences would be minor cosmetic changes such as colors, patterns, cosmetic finishing (and all of such products with non-material differences shall continue to be "Products" hereunder)) (collectively, "Proposed Products") to S&W and its affiliates (the "Right of First Proposal"); *provided, however*, such Right of First Proposal shall not apply to any product that is being manufactured for S&W by a third party as of the Effective Date. S&W shall provide written notice specifically referencing this Section 3.5 to Supplier of any Proposed Products S&W proposes to purchase prior to purchasing, or entering into any contract to purchase, such Proposed Products. Supplier shall have thirty (30) days from

the receipt of such notice to provide a pricing proposal (which shall include terms regarding delivery, lead times and product performance) to S&W to supply such Proposed Products to S&W under this Agreement. If S&W accepts such pricing proposal, such Proposed Products shall become "Products" hereunder, and S&W and Supplier shall update the Schedules to this Agreement to incorporate the information applicable to such Proposed Products.

3.6. Access to S&W's Facilities. If in providing Products or related services under this Agreement, Supplier shall require access to S&W's facilities: (i) any such access by Supplier and its personnel shall be subject to the U.S. International Traffic in Arms Regulations and S&W's security policies from time to time in effect, which limit those individuals who may access S&W's facilities; and (ii) Supplier shall satisfy any requirements of S&W to provide insurance, which may be in addition to the insurance otherwise required under this Agreement, on account of Supplier's activities on S&W's site.

3.7. Manufacturing Facility. In manufacturing any Products, Supplier shall maintain an organization and facilities, including, without limitation, suitable equipment and tools, in accordance with standards generally accepted in the industry, and employ adequately trained and competent personnel in all functions. Supplier will keep complete and accurate records in all material respects with respect to Products it manufactures pursuant to this Agreement. Supplier shall, upon S&W's request from time to time by providing at least 7 days prior notice, allow S&W or its representatives access to Supplier's facilities to inspect the manufacture and assembly of the Products during reasonable hours, and provide S&W with such records in the possession of Supplier, as S&W may reasonably request, relating to the manufacture of Products and the source of any raw materials and components used in the Products; *provided, however*, in no event shall such inspection interfere with the business of Supplier.

3.8. License to Products and Patents in Products. During the term of this Agreement, Supplier hereby grants S&W a royalty-free, nontransferable, nonsublicenseable, worldwide, non-exclusive license to offer to sell and sell firearms that incorporate the Products. The grant of such license shall be effective upon the signing of this Agreement.

3.9. License to Supplier Trade and Service Marks and Trade Dress. During the term of this Agreement, Supplier hereby grants S&W a royalty-free, nontransferable, nonsublicenseable, worldwide, non-exclusive license to use Supplier trademarks, service marks, and trade dress ("Supplier Marks") in connection with the Products. This license is subject to the following restrictions: S&W will use the Supplier Marks only in ways that reflect favorably on Supplier and its products, and shall not use the Supplier Marks in any way that is immoral, illegal, or scandalous or in any way that could impair the reputation of Supplier or the Supplier Marks, and S&W will not obscure, deface or remove the Supplier Marks on the Products. In any promotional or advertising material in any media, S&W will identify the Supplier Marks as belonging to Supplier, using words to the effect that "AOB Products Company trademarks are property of AOB Products Company, Columbia, Missouri, and are used by permission."

4. ORDERING; DELIVERY

4.1. Deliveries. Unless otherwise specified in an Order (and agreed to by Supplier) or as set forth below, all deliveries shall be F.O.B. Supplier's plant in Columbia, Missouri. Title to Products shall pass to S&W at such point and S&W shall assume all risk of loss of any Products after such point, including while any Products are in the possession, custody or control of a carrier. All deliveries from outside of the United States shall be F.O.B. Destination. Title to such Products shall pass to S&W at such destination point and S&W shall assume all risk of loss of any such Products after such destination point. Supplier shall (i) pack the Products in such a manner as to insure against damage from weather or transportation costs, and (ii) label such Products and provide instructions and other information, including, without limitation, Material Safety Data Sheets, as required by any applicable law or regulations or for proper use of the Products.

4.2. Shipping. Except as set forth herein, Supplier shall pay the costs of shipping such Products to S&W in accordance with its Orders (but, for the avoidance of doubt, S&W shall pay for the cost of any insurance on such Products after transfer of risk of loss and title of such Products as set forth in Section 4.1). In its shipment of Products, Supplier shall comply with S&W's shipping guidelines in effect as of the Effective Date. If, in order to comply with S&W's required Delivery Date, Supplier must ship by a more expensive way than specified in this Agreement or in an Order, any resulting increased transportation costs shall be paid for by Supplier unless the necessity for such rerouting or expedited handling has been caused by S&W.

4.3. Lead Times. Lead times for delivery of the Products are set forth in **Schedule B** to this Agreement (the "Lead Times"). Supplier shall deliver Products ordered by S&W by the applicable Delivery Date set forth in S&W's Order, so long as the Delivery Date is consistent with the Lead Times. If applicable Lead Times are not set forth in **Schedule B**, the Delivery Date shall be such date as reasonably agreed to by the parties.

4.4. Production Capacity. Supplier shall maintain sufficient production capacity as to be able to supply Products in accordance with any reasonable S&W forecasts and the Lead Times. Supplier shall notify S&W as soon as is reasonably possible of any inability by Supplier to produce and deliver Products in such quantities as are necessary to meet S&W's anticipated volume requirements.

4.5. Remedies for Late Delivery. Supplier shall use commercially reasonable efforts to deliver all Products on or before the Delivery Date as set forth in Section 4.3 above. If Supplier fails to deliver Products within 14 days of the Delivery Date and if such delay is not due to any action or inaction of S&W or otherwise excused in accordance with this Agreement, S&W shall receive a 10% discount on such Order or S&W may, at its sole discretion, cancel its Order for such Products by giving Supplier written notice of such cancelation prior to shipment of the Products for such Order and procure similar products (up to the amount of the Products set forth in such Order) from another source. Subject to S&W's rights under this Section 4.5, no delay in the shipment or delivery of any Products relieves S&W of its obligations under this Agreement, including accepting delivery of any remaining installment or other Orders of Products.

4.6. Changes. S&W may, at any time, make changes in quantities, packaging, time and place of delivery, and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for performance or delivery, an equitable adjustment shall be made, provided that Supplier notifies S&W, within seven days after S&W notifies Supplier of any such change, of any proposed increase in price or delay in delivery resulting from such change, and if the parties are then unable to agree on an adjustment, S&W may cancel all or any part of its Order subject to Section 4.7 below.

4.7 Cancellation. S&W may cancel all or any part of any unshipped portion of its Order without obligation hereunder except to make payment for the Products actually shipped prior to such cancellation and, with respect to any cancelled Non-Stock Items, to pay Supplier for direct costs incurred by Supplier in connection with such cancelled Non-Stock Products, including without limitation production and facility costs and Supplier's costs for cancelling any orders with its suppliers. In no event shall S&W be liable under this Section 4.7 with respect to a cancellation for more than the price of the applicable Products. Title to any unfinished work-in-process paid for by S&W shall vest in S&W. For purposes hereof, "Non-Stock Items" are Products manufactured exclusively for S&W (or its affiliates).

5. TERMS AND CONDITIONS OF PURCHASE

5.1. Prices. Prices for the Products shall be those prices set forth in **Schedule C** attached hereto. The Product prices include all charges for Supplier's boxing, packaging, packing, crating, storage and handling, to the F.O.B. point, freight costs to ship pursuant to the Order and duties (but excluding any insurance on the Products during shipment of the Products after transfer of risk and title as set forth in Section 4.1). In addition, Supplier shall be liable for any applicable sales, use or similar taxes, excises, and similar charges, which shall be separately invoiced to S&W. The pricing formulas set forth in **Schedule C** shall remain firm for the Term. With respect to the S&W Licensed Products only, Supplier shall not, during the Term, offer or sell to any similarly situated third-party buyers any products that are similar to the Products supplied to S&W under this Agreement at prices that are lower than the prices set forth in **Schedule C** without offering such lower prices to S&W.

5.2. Payment. S&W shall pay the price of Products ordered by S&W after receipt by S&W of such Products and of an invoice from Supplier for such Products. Supplier's invoice shall specify the Order number, Order date, a general description of the Products supplied, the date of supply, and the sum due. Unless otherwise stated, S&W's payment shall be due 30 days after S&W's receipt of Supplier's invoice in accordance with this Agreement. S&W shall be entitled to any cash discount period available to Supplier's customers. Supplier shall be solely responsible for filing all appropriate tax forms and paying all applicable sales, use and similar taxes, duties, export preparation charges and export documentation charges resulting from the sale of the Products under this Agreement. Any payment by S&W under this Agreement shall not relieve Supplier from any obligations hereunder with respect to defective Products.

5.3. Late Payments. S&W shall pay interest on all late payments (whether during the Term or after the expiration or earlier termination of the Term), calculated daily and compounded monthly, at the lesser of 10% per year or the highest rate permissible under applicable law. S&W shall also reimburse Supplier for all costs incurred by Supplier in collecting any late payments, including reasonable attorneys' fees and court costs. In addition to all other remedies available under this Agreement or at law, if S&W fails to pay any amounts when due under this Agreement, other than amounts disputed by S&W in good faith, Supplier may (a) suspend the delivery of any Products, and (b) reject S&W's Orders or cancel accepted Orders.

5.4. Rejection. Payment for Products delivered hereunder shall not constitute S&W's acceptance thereof. S&W shall have the right within 14 days of receipt (the "Inspection Period") to inspect any Products and to reject the same to the extent (i) the amount of Product is more than the amount requested in the Order (but such rejection right shall only be with respect to the excess amount), (ii) the Product is materially damaged or (iii) for obvious and apparent deviations from the Specifications for such Product, which are obvious without opening the packaging for each Product ("Nonconforming Products"). S&W will be deemed to have accepted Products unless it provides Supplier with written notice of any Nonconforming Products within the Inspection Period, stating with specificity all defects and nonconformities, and furnishing such other written evidence or other documentation as may be reasonably required by Supplier. If S&W timely notifies Supplier of any Nonconforming Products and Supplier agrees that such Products are Nonconforming Products, Supplier shall either, at S&W's election: (a) replace such Nonconforming Products with conforming Products; or (b) refund to S&W such amount paid by S&W to Supplier for such Nonconforming Products returned by S&W to Supplier and cancel the Order for such returned Nonconforming Products. If S&W elects to replace Nonconforming Products, Supplier shall ship, at Supplier's expense and risk of loss, the replacement Products.

6. WARRANTY; SUPPORT

6.1. Supplier's Warranty. For a 12 month period from the expiration of the Inspection Period for such Products, Supplier warrants that the Products furnished under this Agreement shall (i) conform in every respect to any specifications provided by Supplier to S&W; (ii) be new and free from material defects in material or workmanship; (iii) be adequately contained, packaged, marked, and labeled; (iv) conform to any and all applicable technical and safety provisions and comply in all respects with any and all applicable federal, state and local laws, regulations, directives and standards including, without limitation, those concerning safety, labor, health and the environment; and (v) be appropriate for the purpose for which the Product is intended to be used. Inspection, testing, acceptance or use of the Products shall not affect Supplier's obligation under this warranty, and such warranty shall survive inspection, testing, acceptance and use. The foregoing shall not limit, however, Supplier's standard warranty for a Product provided to the end-user (consumer purchaser) of such Product as set forth on the packaging of such Product ("End-User Warranty"), and S&W may sell the Products to end-users subject to Supplier's End-User Warranty.

6.2. Warranty Limitations. The warranty set forth in Section 6.1 does not apply to any Product that: (i) has been subjected to abuse, misuse, neglect, negligence, accident, improper testing, improper installation, improper storage, improper handling, abnormal physical stress, abnormal environmental conditions or use contrary to any instructions issued by Supplier; (ii) has been reconstructed, repaired or altered by persons other than Supplier or its authorized representatives; or (iii) has been used with any third-party products, hardware or product that has not been previously approved in writing by Supplier. In addition, in no event shall Supplier be liable or responsible for any warranty provided to end-users of the Product greater than Supplier's End-User Warranty.

6.3 DISCLAIMER. EXCEPT FOR THE END-USER WARRANTY, EXCEPT TO THE EXTENT LIMITATIONS ON PRODUCT WARRANTIES TO CONSUMERS ARE NOT PERMITTED BY APPLICABLE LAW, AND EXCEPT FOR THE PRODUCT WARRANTY SET FORTH IN SECTION 6.1 AND THE OTHER EXPRESS REPRESENTATIONS AND WARRANTIES OF SUPPLIER SET FORTH IN THIS AGREEMENT, (A) NEITHER SUPPLIER NOR ANY PERSON ON SUPPLIER'S BEHALF HAS MADE OR MAKES ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WHATSOEVER, EITHER ORAL OR WRITTEN, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR TITLE, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED, AND (B) S&W ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY SUPPLIER, OR ANY OTHER PERSON ON SUPPLIER'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

7. PRODUCT CAMPAIGNS; INDEMNIFICATION

7.1. Product Recalls. If any Products have been manufactured by or for Supplier in a manner that is inconsistent with Product Specifications or if any Products otherwise do not comply with Supplier's warranty, and S&W requests Supplier to recall such Products for safety reasons, then Supplier shall determine, under its recall standards, whether a recall of any Products should be made. If Supplier determines that for any reason a recall of such Products should be made, then Supplier shall recall such Products at its own expense. In such case, S&W shall take all reasonable actions requested by Supplier to assist in such a recall. S&W shall not modify or retrofit any Product as part of any recall or retrofit campaign by S&W without Supplier's prior written consent, which shall not be unreasonably withheld.

7.2. Indemnification Generally. Without limiting any other remedies available to the parties, each party shall indemnify, defend and hold the other party and its respective officers, directors, employees,

agents, customers, subsidiaries, parents and affiliates (each a "Protected Party") harmless from and against any and all claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, suits, damages, losses, deficiencies, liabilities, obligations, commitments, costs or expenses of any kind or nature (including reasonable legal and other expenses) incurred by such Protected Party (altogether "Losses") resulting from: (i) any breach of the representations, warranties, covenants, agreements and obligations of such party hereunder (including, with respect to Supplier, a breach of its End-User Warranty); or (ii) any negligent or willful acts or omissions of such party, its directors, officers, employees, agent, contractors, subsidiaries, parents, affiliates or those acting for any of them, except to the extent any damages or liabilities are directly caused by the willful misconduct of the Protected Party. Without limiting any other remedies available to the parties, Supplier shall indemnify, defend and hold S&W and its officers, directors, employees, agents, customers, subsidiaries, parents and affiliates (each a "S&W Protected Party") harmless from and against (iii) any and all Losses resulting from any failure of any Product to comply with applicable law, or (iv) S&W's direct costs under any Product recall under Section 7.1. This Section will survive the termination or expiration of this Agreement.

7.3. IP Indemnification. Supplier shall indemnify, defend and hold harmless S&W and its Protected Parties from and against all claims by a third party alleging that any of the Products infringe any Intellectual Property Right of a third party, except to the extent the same relates to or results from (i) use of S&W's trademarks, or (ii) Supplier's compliance with any Specifications or design supplied by S&W. If the Products, or any part of the Products, becomes, or in Supplier's reasonable opinion is likely to become, subject to a Third Party Claim that qualifies for intellectual property indemnification coverage under this Section 7.3, Supplier shall notify S&W in writing to cease using all or a part of the Products, in which case S&W shall immediately cease all such use of such Products and Supplier shall use its best efforts to provide Products or similar substitute Products that are non-infringing to S&W.

7.4. Defense of Third Party Indemnifiable Claims. If a Protected Party seeks indemnification or damages (the "Indemnified Party") under this Agreement from the other party (the "Indemnifying Party") for any claim asserted, against such Indemnified Party by a third party (a "Third Party Claim"), the Indemnified Party shall, promptly upon gaining knowledge of such Third Party Claim, deliver to the Indemnifying Party notice of such Third Party Claim with sufficient detail as to why the Indemnifying Party is responsible for such Third Party Claim; provided, that a failure by the Indemnified Party to give such notice in the manner required pursuant to this Section 7.4 shall not limit or otherwise affect the obligations of the Indemnifying Party under this Agreement, except to the extent that Indemnifying Party is actually prejudiced with respect to the rights available to the Indemnifying Party with respect to such Third Party Claim, and then only to the extent of any such actual prejudice. The Indemnifying Party shall have the right, at its sole option and expense, to appoint counsel of its choice, which must be reasonably satisfactory to the Indemnified Party, and to defend against, negotiate, settle or otherwise deal with such Third Party Claim in lieu of the Indemnified Party defending or settling such claim; *provided*, the Indemnifying Party shall not have the right to defend such Third Party Claim if such Third Party Claim seeks relief other than the payment of monetary damages.

7.5. Exclusion from Indemnification. Notwithstanding anything in this Agreement to the contrary, in no event shall Supplier be liable for, or be required to indemnify S&W or its Protected Parties for, Losses arising from (i) the use of the Products in any manner not otherwise authorized under this Agreement or that does not materially conform with any usage instructions provided by Supplier, (ii) S&W's marketing, advertising, promotion or sale of any product containing the Products, except to the extent such marketing or promotion is consistent with materials provided by Supplier; (iii) Supplier's compliance with any Specifications or design supplied by S&W; or (iii) any modifications or changes made to the Products by or on behalf of any person other than Supplier.

8. INSURANCE

8.1 Insurance. Supplier shall, at its expense, obtain and maintain in full force and effect insurance policies with minimum limits of coverage as follows:

(i) Commercial General Liability Insurance including Contractual Liability, Products and Completed Operations Liability, Broad Form Property Damage Liability including coverage for contractual liability. Limits of liability will not be less than $1,000,000 USD each occurrence and $2,000,000 USD aggregate. Commercial General Liability insurance will be written on an occurrence basis.

(ii) Excess (Umbrella) Liability underlying the insurances described in subsections (i) and (ii), in an amount of not less than $1,000,000 USD per occurrence. Excess (Umbrella) Insurance will be written on an occurrence basis.

8.2 Additional Insured. The Supplier will cause "Smith & Wesson, Inc." to be named as an additional insured on the Commercial General Liability, and Excess (Umbrella) Liability policies. The Supplier will deliver annually a certificate of insurance evidencing the coverage's required by this Agreement. The certificates of insurance will clearly state: "This is primary insurance without recourse to similar insurance maintained by the additional insured or its subsidiaries and affiliates, if any."

8.3 Notice of Cancellation. The Supplier will be required to provide not less than thirty (30) days' prior notice of cancellation, intention not to renew, or material change in coverage; provided, however, that no reduction, cancellation or material changes in any policy will relieve the Supplier of Supplier's obligation to maintain coverages in accordance with this Agreement.

8.4 Subrogation. The Supplier, on behalf of the Supplier and Supplier's insurers, hereby waives subrogation against S&W and its Affiliates under the insurance coverages maintained by the Supplier pursuant to this Agreement for losses or claims arising out of the insured party's acts or omissions. Evidence of such waiver reasonably satisfactory in form and substance to S&W will be exhibited on the Certificates of Insurance required by this Agreement.

8.5 Limits. The limits of liability set forth above may be afforded by any combination of primary and excess liability insurance as long as the insurance coverage provided by the excess liability insurance is as broad as that provided by the primary insurance.

9. CONFIDENTIALITY

9.1. Non-Use and Non-Disclosure. Neither party shall use the other party's Confidential Information except for the purpose of performing its obligations under this Agreement ("Purpose"). Each party shall protect the Confidential Information of the other party from disclosure and unauthorized use in the same manner that it protects its own proprietary and confidential information of like nature, but in no event shall such standard of care be less than reasonable care. Supplier may disclose the Confidential Information of the other party only to those of its employees, subcontractors, contractors, directors, advisors, auditors, attorneys and consultants who require such information for the Purpose and who are subject to confidentiality obligations at least as protective as those set forth herein. Each party shall immediately notify the other party in the event of any unauthorized use or disclosure of the other party's Confidential Information. In the event that a party's Confidential Information is required to be disclosed by the other party pursuant to law, regulation or valid court order, the other party shall be permitted to make such disclosure; provided, however, that (i) it shall promptly notify the party of the fact in writing to permit the party the reasonable opportunity to appear in any judicial proceeding involved or otherwise to act to preserve its rights; and (ii) such disclosure is no greater than what was required to be compliant with such law, regulation or order.

9.2. Survival of Non-Use and Non-Disclosure Obligations. All non-use and non-disclosure obligations concerning Confidential Information shall survive for a period of five (5) years (except for trade secrets, which shall continue in full force and effect indefinitely) from the date of expiration or termination of this Agreement.

9.3. Injunctive Relief. Both parties acknowledge that disclosure or unauthorized use of the other's Confidential Information will cause irreparable harm to the party, inadequately compensable in damages, and that the party may obtain injunctive relief to prevent any disclosure or unauthorized use of its Confidential Information. If a party is successful in any action to enforce the other's obligations under this Section, that party shall be entitled to recover reasonable attorneys' fees and court costs.

9.4. Return of Property. Upon the termination or expiration of this Agreement, each party agrees to end all further use of and to delete or destroy all copies of (and upon request, provide a written certification of such deletion or destruction), any and all such other party's Confidential Information, in whatever form, which are in possession of or under the control of such party.

10. OTHER COVENANTS.

10.1. Compliance with Laws by Supplier. Supplier, and any Products or related services supplied by Supplier, shall comply with all applicable Federal, state and local laws, rules, regulations, orders, conventions, ordinances or standards, including, without limitation, those that relate to the manufacture, labeling, transportation, importation, exportation, use, operation, licensing, approval or certification of the Products or related services, and including, without limitation, the U.S. Foreign Corrupt Practices Act, the U.S. International Traffic in Arms Regulations and the U.S. Export Administration Regulations. Supplier shall comply with Executive Order No. 11246, as amended, The Rehabilitation Act of 1973, The Vietnam Era Veterans Readjustment Assistance Act of 1974, and any related rules and regulations, and any other law, order or regulation required to be included herein, as a result of S&W's use of Products or related services ordered in or for S&W's performance of contracts with any governmental authority. This shall include, without limitation, an obligation by Supplier to take affirmative action to employ and advance in employment qualified individuals with disabilities, and qualified special disabled veterans, veterans of the Vietnam era and any other veterans who served on active duty during a war or in a campaign or expedition for which a campaign badge has been procured. Supplier further represents that neither it nor any of its subcontractors will utilize slave, prisoner or any other form of forced or involuntary labor in the supply of the Products or any services under this Agreement. Supplier shall furnish S&W upon request from time to time, in such form as S&W may designate, certificates of Supplier's compliance with any such laws, orders and regulations. At S&W's request, Supplier shall certify in writing its compliance with the foregoing.

10.2. Compliance with Laws by S&W. S&W shall comply with all applicable Federal, state and local laws, rules, regulations, orders, conventions, and ordinances, including, without limitation, those that relate to the purchase, resale, exportation, use, operation, licensing, approval of such Products, as applicable, and including, without limitation, the U.S. Foreign Corrupt Practices Act, the U.S. International Traffic in Arms Regulations and the U.S. Export Administration Regulations.

11. TERMINATION

11.1. Termination for Bankruptcy or Insolvency. Unless expressly prohibited by applicable law, either party may terminate this Agreement immediately for cause by providing notice to the other party if

the other party: (a) commences or becomes the subject of any case or proceeding under the bankruptcy, insolvency or equivalent laws of the United States; (b) has appointed for it or for any substantial part of its property a court appointed receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official; (c) makes an assignment for the benefit of its creditors; (d) admits in writing its inability to generally to pay its debts as they become due; or (e) takes corporate action in furtherance of any of the foregoing (collectively, herein referred to as "Events of Insolvency"). Each party shall immediately give the other party written notice of any Event of Insolvency with respect to such party.

11.2. Termination for Breach. Either party may terminate this Agreement 30 days after giving notice of the other party's material breach or default of this Agreement, including any four late deliveries by Supplier in a six-month period that would permit S&W to cancel its order pursuant to Section 4.5, provided that such breach shall continue and not be cured within 30 days after such notice (or, if not able to be cured within 30 days, within a commercially reasonable time period for such cure).

11.3. No Liability. Except as provided in Section 11.4, neither party shall be liable for any damage of any kind (whether direct or indirect) incurred by the other party by reason of the expiration or earlier termination of this Agreement. Termination of this Agreement will not constitute a waiver of either Party's rights, remedies or defenses under this Agreement, at law, in equity or otherwise.

11.4. Effects of Expiration or Termination. Upon the expiration or earlier termination of this Agreement, all indebtedness of S&W to Supplier under this Agreement, of any kind, shall become immediately due and payable to Supplier, without further notice to S&W. Expiration or termination of this Agreement will not affect any rights or obligations of the parties that (i) come into effect upon or after termination or expiration of this Agreement; or (ii) otherwise survive the expiration or earlier termination of this Agreement pursuant to Section 12.10 and were incurred by the parties prior to such expiration or earlier termination. Except as otherwise agreed to by Supplier, any notice of termination under this Agreement automatically operates as a cancellation of any deliveries of Products to S&W that are scheduled to be made subsequent to the effective date of termination, whether or not any orders for such Products had been accepted by Supplier.

12. MISCELLANEOUS

12.1. Notices. All notices in connection with this Agreement shall be in writing, and deemed given when personally delivered, or one business day after being dispatched by nationally recognized overnight courier, or five business days after being mailed, postage prepaid, by certified or registered mail, return receipt requested, addressed to the other party hereto at the following address:

TO S&W:

Smith & Wesson Brands, Inc.
2100 Roosevelt Ave.
Springfield, MA 01104
Attn: General Counsel

TO SUPPLIER:

AOB Products Company
1800 North Route Z
Columbia, MO 65202
Attn: General Counsel

TD Bank, N.A.
2 West Main St., 2nd Floor
Waterbury, CT 06702
Attention: AOB Products Acct Manager

With a copy to:

Either party may change its address for notices by notice to the other party.

12.2. Right to Audit.

a. Supplier Audit Right. S&W hereby grants Supplier access to all pertinent records, correspondence, writings, and receipts related to this Agreement, but excluding any of the same subject to the attorney-client privilege or constituting attorney work-product, for the purpose of ensuring S&W's compliance with the terms of the Agreement.

b. S&W Audit Right. Supplier hereby grants S&W access to all pertinent records, correspondence, writings, and receipts related to this Agreement, but excluding any of the same subject to the attorney-client privilege or constituting attorney work-product, for the purpose of ensuring Supplier's compliance with the terms of the Agreement.

c. Maintenance of Records. The parties to this Agreement shall maintain such records and documents for a period of six (6) years after the termination or expiration of this Agreement. Each party shall cooperate fully with the other party on all reasonable requests to audit such records.

12.3. Choice of Law, Venue. This Agreement, and all matters arising out of or relating this to this Agreement, shall be governed by and construed in accordance with the laws of the State of Delaware without regard to the conflict of laws provisions thereof. The Parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement. The parties hereby consent to the exclusive jurisdiction of the courts of the State of Missouri and of the United States District Court for the Eastern District of Missouri for resolution of all claims, differences and disputes which the parties may have regarding, or which arise under, this Agreement, so long as such courts have jurisdiction. Any judgment or other decision of any such court shall be enforceable, without further proceedings, against the named party anywhere in the world where such party is located, does business or has assets.

12.4. Limitation of Liability

a. NO LIABILITY FOR CONSEQUENTIAL OR INDIRECT DAMAGES. IN NO EVENT SHALL EITHER PARTY OR THEIR REPRESENTATIVES BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT THE OTHER PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

b. MAXIMUM LIABILITY FOR DAMAGES. IN NO EVENT SHALL SUPPLIER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SUPPLIER PURSUANT TO THIS AGREEMENT IN THE YEAR PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

Notwithstanding anything in this Agreement to the contrary, (a) the limits in this Section 12.4 and the limit on the term of Supplier's warranty under Section 6.1 of this Agreement shall not apply to any Losses resulting from third party claims arising from Supplier's breach of its representations, warranties, or covenants in this Agreement, including Sections 6.1 (Supplier's Warranty), 7.1 (Product Recalls), 7.2 (Indemnification Generally), 7.3 (IP Indemnification), and 10.1 (Compliance with Laws by Supplier), in each case so long as S&W complies with Section 7.4; (b) the limits in this Section 12.4 shall not apply to any Losses arising from a party's fraud; (c) the limit in Section 12.4(b) and the limit on the term of Supplier's warranty under Section 6.1 of this Agreement shall not apply to S&W's damages arising out of a Product recall under Section 7.1; and (d) the limits in this Section 12.4 shall not apply to any Losses arising from S&W's breach of Section 3.4 (Exclusivity).

12.5. Assignment. Except as otherwise set forth in this Section 12.5, neither party shall assign or subcontract any portion of this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld. Any assignment without such consent shall be void. Notwithstanding the foregoing, either party may assign this Agreement to any of its affiliates. Without limiting the generality of the foregoing, Smith & Wesson Sales Company, or any other affiliate of S&W, may exercise the same rights as S&W to purchase Products under this Agreement, provided that such rights are subject to the same obligations of S&W hereunder (including, without limitation, Section 3.4 hereof), and upon request of Supplier, such affiliates will affirmatively agree to be bound by the terms of this Agreement prior to purchasing Product hereunder. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties. Any change of control of Supplier shall be deemed an assignment of this Agreement, for which S&W's consent shall be required.

12.6. No Set-off Right. S&W shall not, and acknowledges that it will have no right, under this Agreement, any Order, any other agreement, document or law to, withhold, offset, recoup or debit any amounts owed (or to become due and owing) to Supplier or its affiliates, whether under this Agreement or otherwise, against any other amount owed (or to become due and owing) to it by Supplier or its affiliates, whether relating to Supplier's breach or non-performance of this Agreement, any Order, any other agreement between S&W or its affiliates and Supplier or its affiliates, or otherwise

12.7. Force Majeure. Neither party hereto shall be liable to the other party hereto for nonperformance or delay in performance of any of its obligations under this Agreement due to the causes beyond its reasonable control including, without limitation, fires, floods, labor troubles or other industrial disturbances, governmental acts or regulations, pandemics, riots, insurrections, lightning, storm, war, and act of the public enemy (herein referred to as "Force Majeure"); provided, however, in no event shall the inability to make payments be an event of "Force Majeure". Upon the occurrence of any such event of Force Majeure, the affected party shall promptly notify the other party of such event and the details surrounding the same and shall keep the other party informed of any further developments of such event. After such event ceases or is removed, the affected party shall perform all its obligations still pending with reasonable promptness, unless this Agreement has been terminated in accordance with its terms. If an event of Force Majeure prevents performance by a party for more than 21 consecutive days ("Prolonged Force Majeure"), either party may, with notice to the other, cancel any Order affected by such Prolonged Force Majeure (an "Affected Order") without any further liability thereunder. In addition, to the extent such Affected Order has been cancelled in accordance with this Section 12.7, S&W may purchase similar products to the Product under such Affected Order (up to the amount set forth in such Order) from a third-party. In no event shall S&W purchase more than customarily purchased hereunder during an event of Force Majeure to circumvent the exclusivity provisions of this Agreement.

12.8. Use of Name. S&W shall have a non-exclusive license to use any Supplier-owned trademarks used on or in packaging for Products in connection with S&W's sales and marketing of the Products. Except as expressly permitted by this Agreement, without the prior written consent of the other party, neither party shall use the other party's name or any of its trademarks or logos, including in any advertising or marketing materials.

12.9. Prohibition Against Insider Trading. Supplier hereby acknowledges that United States securities laws, as well as other applicable securities laws and regulations, prohibit any person who has material, non-public information about a company from purchasing or selling the securities of such company or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities. Supplier shall inform each of its employees and subcontractors providing any services in connection with this Agreement of this restriction.

12.10. Survival. Subject to the limitations and other provisions of this Agreement: (a) the representations and warranties of the Parties contained herein will survive the expiration or earlier termination of this Agreement; and (b) Sections 7, 9, 11.3, 11.4, 12.1, 12.2., 12.3, 12.4, 12.5, 12.6, 12.7, 12.8, 12.9, 12.10, 12.11, 12.12, and 12.13 of this Agreement, as well as any other provision that, in order to give proper effect to its intent, should survive such expiration or termination, will survive the expiration or earlier termination of this Agreement for the period specified therein, or if nothing is specified for the applicable statute of limitations. All other provisions of this Agreement will not survive the expiration or earlier termination of this Agreement. Notwithstanding any right under any applicable statute of limitations to bring a claim, no action based upon or arising in any way out of this Agreement may be brought by either party after the expiration of the applicable survival or other period set forth in this Section and the parties waive the right to file any such action after the expiration of the applicable survival or other period; provided, however, that the foregoing waiver and limitation do not apply to the collection of any amounts due to Supplier under this Agreement.

12.11. Severability; Waiver. If any portion of this Agreement shall be invalid or unenforceable or shall violate any applicable law, then such provisions shall be enforced to the maximum extent permitted by law, and such invalidity or unenforceability shall neither invalidate their effect elsewhere nor affect the validity or enforceability of the other provisions of this Agreement. Any failure or delay of either party in exercising any right hereunder (including without limitation, to the right to require performance of any provision of this Agreement) shall not be deemed to be a waiver or relinquishment of such right. Any express waiver or relinquishment of a term or condition of this Agreement shall not be binding or effective unless made in writing signed by the party waiving or relinquishing its rights.

12.12. Entire Agreement. This Agreement, together with any schedules and attachments hereto, constitutes the entire and only agreement between the parties regarding its subject. No modification, change or amendment of this Agreement shall be binding upon the parties except by mutual express consent in writing executed by a duly authorized officer or representative of each of the parties.

12.13. Captions. Captions and headings used in this Agreement are for convenience only, and shall not be of any force and effect in construing this Agreement.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers as of the day and year first hereinabove written.

SUPPLIER:

AOB Products Company

By: */s/ Brian D. Murphy*
Name: Brian D. Murphy
Title: President

S&W:

Smith & Wesson Inc.

By: */s/ Mark P. Smith*
Name: Mark P. Smith
Title: President

Exhibit 10.128

AMENDED AND RESTATED CREDIT AGREEMENT
Among
SMITH & WESSON BRANDS, INC.
(f/k/a American Outdoor Brands Corporation),

SMITH & WESSON SALES COMPANY
(f/k/a American Outdoor Brands Sales Company),

and

SMITH & WESSON INC.
(f/k/a Smith & Wesson Firearms Inc.),
as Borrowers,

THE SUBSIDIARIES OF THE BORROWERS PARTY HERETO,
as the Guarantors,

TD BANK, N.A.,
as the Administrative Agent

and

The Other Lenders Party Hereto From Time to Time

TD SECURITIES (USA) LLC,
as Joint Lead Arranger and Joint Book Runner

REGIONS BANK,
as Joint Lead Arranger and Joint Book Runner

and

REGIONS BANK,
as Syndication Agent

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AMENDED AND RESTATED CREDIT AGREEMENT

This AMENDED AND RESTATED CREDIT AGREEMENT ("Agreement") is entered into as of August 24, 2020, among SMITH & WESSON BRANDS, INC., a Nevada corporation (f/k/a American Outdoor Brands Corporation) (the "Company"), SMITH & WESSON SALES COMPANY, a Delaware corporation (f/k/a American Outdoor Brands Sales Company) ("SWSC"), and SMITH & WESSON INC., a Delaware corporation (f/k/a Smith & Wesson Firearms, Inc.) ("S&W", and, together with the Company and SWSC, the "Borrowers" and, each a "Borrower"), the Guarantors (as hereinafter defined) from time to time party hereto (together with the Borrowers, collectively, the "Loan Parties"), each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender"), and TD BANK, N.A., as Administrative Agent and Swingline Lender.

WHEREAS, the Loan Parties are parties to that certain Credit Agreement dated as of June 15, 2015, among the lenders party thereto (the "Existing Lenders"), and TD Bank, N.A., as Administrative Agent and Swingline Lender, as amended, supplemented or otherwise modified prior to the date hereof (the "Existing Credit Agreement"), pursuant to which the Existing Lenders agreed to make certain loans and provide certain other credit accommodations to the borrowers thereunder from time to time;

WHEREAS, the Loan Parties have requested that certain of the Existing Lenders agree to amend and restate the Existing Credit Agreement in its entirety to, among other things make certain modifications to the terms and provisions of the Existing Credit Agreement;

WHEREAS, the Loan Parties (as hereinafter defined) have requested that the Lenders and the Swingline Lender make loans and other financial accommodations to the Loan Parties in an aggregate amount of up to $100,000,000; and

WHEREAS, the Lenders and the Swingline Lender have agreed to make such loans and other financial accommodations to the Loan Parties on the terms and subject to the conditions set forth herein.

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

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"Acquisition" means any transaction, or any series of related transactions, consummated on or after the Restatement Effective Date, by which any Borrower (a) acquires any going business or all or substantially all of the assets of any Person, whether through purchase of assets, merger or otherwise or (b) directly or indirectly acquires (in one transaction or as the most recent

transaction in a series of transactions) at least a majority (in number of votes) of the Equity Interests of a Person which has ordinary voting power for the election of directors or other similar management personnel of a Person (other than Equity Interests having such power only by reason of the happening of a contingency) or a majority of the outstanding Equity Interests of a Person.

"Adjusted Consolidated Funded Indebtedness" means, on any date of determination, an amount equal to (x) Consolidated Funded Indebtedness less (y) cash and cash equivalents of the Loan Parties on a consolidated basis (as reflected on the most recent balance sheet delivered by the Loan Parties to the Administrative Agent and the Lenders in accordance with Section 6.01 hereof) as of such date in excess of $25,000,000 and subject to no Liens (other than Liens in favor of the Administrative Agent (for the benefit of the Secured Parties)), all as determined in accordance with GAAP.

"Adjusted Consolidated Leverage Ratio" means, as of any date of determination, the ratio of (a) Adjusted Consolidated Funded Indebtedness as of such date to (b) Consolidated EBITDA for the period of the four fiscal quarters most recently ended.

"Administrative Agent" means TD Bank in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means, the Administrative Agent's address and, as appropriate, account as set forth on Schedule 10.02, or such other address or account as the Administrative Agent may from time to time notify to the Borrowers and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in form and substance satisfactory to the Administrative Agent.

"Affected Foreign Subsidiary" means any Foreign Subsidiary to the extent a pledge of more than 66 2/3% of the voting Equity Interests in such Foreign Subsidiary would cause a Deemed Dividend Problem.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Affiliate Counterparty" means a Person who is an Affiliate of a Lender at the time such Person entered into any Swap Contract.

"Aggregate Commitments" mean the Commitments of all the Lenders.

"Agreement" means this Credit Agreement.

"Applicable Percentage" means, in respect of the Revolving Facility, with respect to any Revolving Lender at any time, the percentage (carried out to the eighth decimal place) of the Revolving Facility represented by such Revolving Lender's Revolving Commitment at such time, subject to adjustment as provided in Section 2.15. If the Commitment of all of the Revolving Lenders to make Revolving Loans and the obligation of the L/C Issuers to make L/C Credit

Extensions have been terminated pursuant to Section 8.02, or if the Revolving Commitments have expired, then the Applicable Percentage of each Revolving Lender in respect of the Revolving Facility shall be determined based on the Applicable Percentage of such Revolving Lender in respect of the Revolving Facility most recently in effect, giving effect to any subsequent assignments. The Applicable Percentage of each Lender in respect of the Revolving Facility is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Pledge Percentage" means (a) in the case of non-voting Equity Interests, 100% and (b) in the case of voting Equity Interests, 100% but 65% in the case of a pledge by a Loan Party of its Equity Interests in an Affected Foreign Subsidiary.

"Applicable Rate" means, from time to time, the following percentages per annum, based upon the Adjusted Consolidated Leveraged Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a):

Applicable Rate

Pricing Level	**Adjusted Consolidated Leverage Ratio**	**Facility Fee**	**LIBOR Rate + and Letter of Credit Fee**	**Base Rate +**
1	≥2.50:1	.425%	2.75%	1.75%
2	≥2.00:1 but <2.50:1	.425%	2.50%	1.50%
3	≥1.50:1 but <2.00:1	.30%	2.25%	1.25%
4	≥1.00:1 but <1.50:1	.30%	2.00%	1.00%
5	<1.00:1	.25%	1.75%	.75%

Any increase or decrease in the Applicable Rate resulting from a change in the Adjusted Consolidated Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section, then, upon the request of the Required Lenders, Pricing Level 1 shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall remain in effect until the date on which such Compliance Certificate is delivered. The Applicable Rate in effect from the Restatement Effective Date through the delivery of the first Compliance Certificate pursuant to Section 6.02(a) shall be determined based upon Pricing Level 5. In addition, at all times while the Default Rate is in effect, the highest rate set forth in each column of the Applicable Rate shall apply.

Notwithstanding anything to the contrary contained in this definition, the determination of the Applicable Rate for any period shall be subject to the provisions of Section 2.10(b). The Applicable Rate set forth above shall be increased as, and to the extent, required by Section 2.14(c).

“Applicable Revolving Percentage” means with respect to any Revolving Lender at any time, such Revolving Lender’s Applicable Percentage in respect of the Revolving Facility at such time.

“Appropriate Lender” means, at any time, (a) with respect to any Facility, a Lender that has a Commitment with respect to such Facility or holds a Loan under such Facility at such time, (b) with respect to the Letter of Credit Sublimit, (i) the L/C Issuers and (ii) if any Letters of Credit have been issued pursuant to Section 2.16, the Revolving Lenders and (c) with respect to the Swingline Sublimit, (i) the Swingline Lender and (ii) if any Swingline Loans are outstanding pursuant to Section 2.03(a), the Revolving Lenders.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means TD Securities (USA) LLC and Regions Bank, each in its capacity as a joint lead arranger and joint bookrunner.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 10.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit E or any other form approved by the Administrative Agent.

“Attributable Indebtedness” means, on any date, (a) in respect of any capital lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital lease.

“Audited Financial Statements” means the audited consolidated balance sheet of the Company, its Subsidiaries and certain of its Affiliates (including, without limitation, the Outdoor Products Group Subsidiaries for the fiscal year ended April 30, 2020, and the related consolidated statements of income or operations, shareholders’ equity and cash flows for such fiscal year of the Company and its Subsidiaries, including the notes thereto.

“Availability Period” means in respect of the Revolving Facility, the period from and including the Restatement Effective Date to the earliest of (i) the Maturity Date for the Revolving Facility, (ii) the date of termination of the Revolving Commitments pursuant to Section 2.06, and (iii) the date of termination of the Commitment of each Revolving Lender to make Revolving Loans and of the obligation of the L/C Issuers to make L/C Credit Extensions pursuant to Section 8.02.

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

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

"Bank Product" means any service or facility extended to any Loan Party by a Bank Product Provider including: (a) credit cards, (b) debit cards, (c) purchase cards, (d) credit card, debit card and purchase card processing services, (e) treasury, cash management or related services (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve FedLine system), (f) cash management, including controlled disbursement, accounts or services, (g) return items, netting, overdraft and interstate depositary network services, (h) Swap Contracts or (i) foreign exchange contracts.

"Bank Product Agreement" means those agreements entered into from time to time by any Loan Party or its Subsidiaries with a Bank Product Provider in connection with the obtaining of any of the Bank Products, including, without limitation, any Cash Management Agreements.

"Bank Product Obligations" means all obligations, liabilities, contingent reimbursement obligations, fees, and expenses owing by any Loan Party to a Bank Product Provider pursuant to or evidenced by the Bank Product Agreements and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all such amounts that any Loan Party is obligated to reimburse to a Bank Product Provider as a result of such Person purchasing participations or executing indemnities or reimbursement obligations with respect to the Bank Products provided to any Loan Party pursuant to the Bank Product Agreements.

"Bank Product Provider" means (a) TD Bank or any of its Affiliates or (b) any Lender or any Affiliate of any Lender that provides any Bank Products to any Loan Party.

"Base Rate" means, at any time, a fluctuating rate per annum equal to the higher of (a) the rate published from time to time by The Wall Street Journal as the U.S. Prime Rate (if such U.S. Prime Rate is expressed as a range, then the top of such range will be used) or, in the event The Wall Street Journal ceases publication of such U.S. Prime Rate, the base, reference or other rate then designated by the Administrative Agent, in its sole discretion, for general commercial loan reference purposes; (b) the sum of (i) the Federal Funds Rate plus (ii) one-half of one percent (1/2%); or (c) the sum of (i) the LIBOR Rate for an Interest Period of one month at approximately 11:00 a.m. London time on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus (ii) one percent (1.0%). It is acknowledged by the parties to this Agreement that the Base Rate is a reference rate, not necessarily the lowest rate of interest charged, which serves as the basis upon which effective interest rates are calculated for loans making reference thereto. The effective interest rate for the Base Rate Loans will change on the date of each change in the U.S. Prime Rate (as published in The Wall Street Journal, as aforesaid) or, if such U.S. Prime Rate is not so published, on the date of each change in the rate designated by the Administrative Agent as provided above.

"Base Rate Loan" means a Revolving Loan that bears interest based on the Base Rate.

“Benchmark Replacement” means the sum of: (a) the alternate benchmark rate (which may include Term SOFR) that has been selected by the Administrative Agent and the Borrowers giving due consideration to (i) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement to LIBOR for U.S. dollar-denominated syndicated credit facilities and (b) the Benchmark Replacement Adjustment; provided that, if the Benchmark Replacement as so determined would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

“Benchmark Replacement Adjustment” means, with respect to any replacement of LIBOR with an Unadjusted Benchmark Replacement for each applicable Interest Period, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrowers giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of LIBOR with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of LIBOR with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest and other administrative matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of the Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement).

“Benchmark Replacement Date” means the earlier to occur of the following events with respect to LIBOR:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of LIBOR permanently or indefinitely ceases to provide LIBOR; or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to LIBOR:

(1) a public statement or publication of information by or on behalf of the administrator of LIBOR announcing that such administrator has ceased or will cease to provide LIBOR, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR;

(2) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR, the U.S. Federal Reserve System, an insolvency official with jurisdiction over the administrator for LIBOR, a resolution authority with jurisdiction over the administrator for LIBOR or a court or an entity with similar insolvency or resolution authority over the administrator for LIBOR, which states that the administrator of LIBOR has ceased or will cease to provide LIBOR permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR; or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR announcing that LIBOR is no longer representative.

"Benchmark Transition Start Date" means (a) in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication) and (b) in the case of an Early Opt-in Election, the date specified by the Administrative Agent or the Required Lenders, as applicable, by notice to the Borrowers, the Administrative Agent (in the case of such notice by the Required Lenders) and the Lenders.

"Benchmark Unavailability Period" means, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR and solely to the extent that LIBOR has not been replaced with a Benchmark Replacement, the period (x) beginning at the time that such Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced LIBOR for all purposes hereunder in accordance with the Section titled "Effect of Benchmark Transition Event" and (y) ending at the time that a Benchmark Replacement has replaced LIBOR for all purposes hereunder pursuant to the Section titled "Effect of Benchmark Transition Event."

"Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Borrower" and "Borrowers" each has the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrower Representative" has the meaning specified in Section 2.04.

"Borrowing" means, a Revolving Borrowing or a Swingline Borrowing, as the context may require.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located, and if such day relates to any interest rate settings as to a LIBOR Rate Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such LIBOR Rate Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such LIBOR Rate Loan, means any such day that is also a London Banking Day.

"Capital Expenditures" means, for the Company and its Subsidiaries, on a consolidated basis, without duplication, any expenditure or commitment to expend money for any purchase or other acquisition of any asset which would be classified as a fixed or capital asset on a balance sheet of such Person prepared in accordance with GAAP

"Captive Insurance Subsidiary" means SW Insurance Company, an insurance company formed under the laws of Arizona.

"Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the L/C Issuers or the Lenders, as Collateral for L/C Obligations or obligations of the Revolving Lenders to fund participations in respect of L/C Obligations (as the context may require), (a) cash or deposit account balances, (b) backstop letters of credit entered into on terms, from issuers and in amounts satisfactory to the Administrative Agent and the applicable L/C Issuers, and/or (c) if the Administrative Agent and the applicable L/C Issuers shall agree, in their sole discretion, other credit support, in each case, in Dollars and pursuant to documentation in form and substance satisfactory to the Administrative Agent and such L/C Issuer.

"Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such Cash Collateral and other credit support.

"Cash Management Agreements" means, collectively, one or more agreements entered into from time to time by TD Bank with any Loan Party and/or the Borrower Representative relating to cash management services regarding one or more of deposit accounts of the Loan Parties, as such agreement(s) may be amended, restated or modified from time to time.

"Change in Law" means the occurrence, after the Restatement Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives

promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof), of Equity Interests representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of any Borrower; (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of any Borrower by Persons who were neither (i) nominated or approved by the board of directors of such Borrower nor (ii) appointed by directors so nominated or approved; (c) the acquisition of direct or indirect Control of any Borrower by any Person or group; (d) the Company shall cease to own, directly or indirectly, free and clear of all Liens or other encumbrances, at least 100% of the outstanding Equity Interests of any Subsidiary except as may result from any merger, consolidation or other reorganization permitted under this Agreement; or (e) the occurrence of any "Change of Control" under and as defined in a Permitted Notes Indenture. For the avoidance of doubt, the parties agree that the Outdoor Products Group Spin-Off shall not be deemed a Change of Control.

"Code" means the Internal Revenue Code of 1986.

"Collateral" means any and all property owned, leased or operated by a Person covered by the Collateral Documents, and any and all other property of any Loan Party, now existing or hereafter acquired, that may at any time be or become subject to a security interest or Lien in favor of the Administrative Agent, to secure the Obligations.

"Collateral Access Agreement" means any landlord waiver or other similar agreement between the Administrative Agent and any third party (including any bailee or consignee) in possession of Collateral or any landlord of any Borrower for any leased premises where Collateral with a fair market value in excess of $10,000,000 is located, as any such waiver or similar agreement may be amended, restated or otherwise modified from time to time.

"Collateral Documents" means, collectively, the Security Agreement, each Collateral Access Agreement, each Deposit Account Control Agreement and any other documents now or hereafter executed and delivered to the Administrative Agent for the benefit of the Secured Parties granting a Lien upon the Collateral as security for payment of the Obligations, as the same may be amended, restated or otherwise modified from time to time.

"Commitment" means a Revolving Commitment, as the context may require.

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

"Company" has the meaning specified in the introductory paragraph hereto.

"Compliance Certificate" means a certificate substantially in the form of Exhibit D.

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated EBITDA" means, for any period, for the Company and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period plus (a) without duplication and to the extent deducted in determining Consolidated Net Income for such period, the sum of (i) Consolidated Interest Expense for such period, (ii) income tax expense (with a deduction in case of income tax benefit) for such period, (iii) all amounts attributable to depreciation and amortization expense for such period, (iv) any extraordinary charges for such period, (v) any non-cash charges for such period related to stock options and restricted stock granting, (vi) reasonable and documented fees and expenses incurred in connection with the Fifth Amendment, (vii) reasonable and documented fees and expenses incurred in connection with the Outdoor Products Group Spin-Off, and (viii) any other nonrecurring non-cash charges for such period (but excluding any non-cash charge in respect of an item that was included in Consolidated Net Income in a prior period), minus (b) without duplication and to the extent included in Consolidated Net Income, any extraordinary gains and any non-cash items of income for such period, all calculated on a consolidated basis in accordance with GAAP.

Consolidated EBITDA shall be calculated on a pro forma basis to give effect to Permitted Acquisitions (but not Permitted Business Acquisitions) and Dispositions consummated at any time on or after the first day of the relevant period as if each Permitted Acquisition had been effected on the first day of such period and as if each such Dispositions had been consummated on the day prior to the first day of such period; provided, that such calculation of Consolidated EBITDA shall be subject to the Administrative Agent's prior written approval of the pro forma calculations; provided, further, that for the purposes of determining Consolidated EBITDA for any period that includes any fiscal quarter ended prior to the consummation of the Outdoor Products Group Spin-Off, Consolidated EBITDA for such quarter and the components thereof shall be determined utilizing accounting principles and policies in conformity with those used to prepare the financial statements of the Company previously submitted to the Administrative Agent in accordance with Section 6.01.

"Consolidated Fixed Charge Coverage Ratio" means, as of any date of determination, the ratio of (a) Consolidated EBITDA, plus Consolidated Rental Expense, minus the unfinanced portion of Capital Expenditures, minus cash taxes paid, minus dividends and distributions paid in cash, to (b) Consolidated Fixed Charges.

"Consolidated Fixed Charges" means, for any period, for the Company and its Subsidiaries on a consolidated basis, the sum of (a) cash Consolidated Interest Expense for such period, plus (b) Consolidated Rental Expense paid during such period, plus (c) scheduled principal payments on Indebtedness made during such period, plus (d) payments on capital leases made during such period, all calculated on a consolidated basis in accordance with GAAP.

"Consolidated Funded Indebtedness" means, as of any date of determination, for the Company and its Subsidiaries on a consolidated basis, the sum of the aggregate principal amount of all Indebtedness at such date (including, without limitation, the Swap Termination Value under any Swap Contract at such date, but excluding undrawn amount of letters of credit, foreign

exchange obligations Bank Product Obligations), determined on a consolidated basis in accordance with GAAP; provided, however, for purposes of calculating the financial covenants, any Guarantee and Off-Balance Sheet Liability shall be deemed to be fully funded. In the case of any Guarantee, the amount deemed fully funded shall be the greater of (x) the amount then due on the Guarantee, or (y) the maximum principal amount of the indebtedness then subject to such Guarantee. In the case of any Off-Balance Sheet Liability, the amount deemed fully funded shall be the amount that would be due if such Off-Balance Sheet Liability was due on the date of determination.

"Consolidated Interest Expense" means, for any period, for the Company and its Subsidiaries on a consolidated basis, the sum of (a) all interest, premium payments, debt discount, fees, charges and related expenses of the Company and its Subsidiaries in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, and (b) the portion of rent expense of the Company and its Subsidiaries with respect to such period under capital leases that is treated as interest in accordance with GAAP; provided, that for the purposes of determining Consolidated Interest Expense for any period that includes any fiscal quarter ended prior to the consummation of the Outdoor Products Group Spin-Off, Consolidated Interest Expense for such quarter shall be determined utilizing accounting principles and policies in conformity with those used to prepare the financial statements of the Company previously submitted to the Administrative Agent in accordance with Section 6.01.

"Consolidated Net Income" means, for any period, for the Company and its Subsidiaries on a consolidated basis, the net income of the Company and its Subsidiaries (excluding extraordinary gains and extraordinary losses) for that period, all calculated on a consolidated basis in accordance with GAAP.

"Consolidated Rental Expense" means, as of any date of determination, all obligations in respect of fixed, base and contingent rent paid or due by the Company or any of its Subsidiaries, on a consolidated basis, during such period under any rental agreements or leases of real or personal property (other than obligations in respect of capital leases); provided, that for the purposes of determining Consolidated Rental Expense for any period that includes any fiscal quarter ended prior to the consummation of the Outdoor Products Group Spin-Off, Consolidated Rental Expense for such quarter shall be determined utilizing accounting principles and policies in conformity with those used to prepare the financial statements of the Company previously submitted to the Administrative Agent in accordance with Section 6.01.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

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

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

"Deemed Dividend Problem" means, with respect to any Foreign Subsidiary, such Foreign Subsidiary's accumulated and undistributed earnings and profits being deemed to be repatriated to the applicable parent Loan Party under Section 956 of the Code and the effect of such repatriation causing materially adverse tax consequences to the applicable parent Loan Party in each case as determined by the Borrower Representative in its commercially reasonable judgment acting in good faith and in consultation with its legal and tax advisors.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) 2% per annum; provided, however, that with respect to a LIBOR Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum.

"Defaulting Lender" means, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower Representative in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, any L/C Issuer, the Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit Swingline Loans) within two Business Days of the date when due, (b) has notified the Borrower Representative, any L/C Issuer, the Swingline Lender and the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower Representative, to confirm in writing to the Administrative Agent and the Borrower Representative that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower Representative), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender

solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower Representative, each L/C Issuer, the Swingline Lender and each other Lender promptly following such determination.

"Deposit Account Control Agreement" means any agreement, in form and substance satisfactory to the Administrative Agent, providing (i) that all items received or deposited in a deposit account on behalf of any Loan Party are pledged to the Administrative Agent, and that the bank in which such deposit account is maintained will comply with instructions originated by the Administrative Agent directing disposition of the funds in such deposit account without further consent by such Loan Party, and (ii) such other substantially similar terms and conditions to which the Administrative Agent in its sole discretion may consent in writing.

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

"Dollar" and "$" mean lawful money of the United States.

"Domestic Subsidiary" means any Subsidiary that is organized under the laws of any political subdivision of the United States.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a Subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

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

"Early Opt-in Election" means the occurrence of:

(1) (i) a determination by the Administrative Agent or (ii) a notification by the Required Lenders to the Administrative Agent (with a copy to the Borrowers) that the Required Lenders have determined that U.S. dollar-denominated syndicated credit facilities being executed at such time, or that include language similar to that contained in this Section titled "Effect of Benchmark Transition Event," are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace LIBOR, and

(2) (i) the election by the Administrative Agent or (ii) the election by the Required Lenders to declare that an Early Opt-in Election has occurred and the provision, as applicable, by the Administrative Agent of written notice of such election to the Borrowers and the Lenders or by the Required Lenders of written notice of such election to the Administrative Agent.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 10.06 (subject to such consents, if any, as may be required under Section 10.06(b)(iii)).

"Environmental Laws" means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Company, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Company within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Company or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Company or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Company or any ERISA Affiliate.

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

"Event of Default" has the meaning specified in Section 8.01.

"Excluded Subsidiary" means (a) each Subsidiary of a Borrower listed on Schedule 1.01(a), (b) any 501(c)(3) organization Controlled by a Loan Party or under common Control with a Loan Party and (c) so long as at the date of its organization, (i) no Default exists or would result therefrom and (ii) it could not reasonably be expected to comply with applicable Laws if it was a party to the Guaranty, the Captive Insurance Subsidiary; provided that no Subsidiary that Guarantees any Permitted Notes or other Indebtedness of a Loan Party shall be deemed to be an Excluded Subsidiary at any time any such Guarantee is in effect.

"Excluded Swap Obligation" means, with respect to any Loan Party, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Loan Party of, or the grant by such Loan Party of a Lien to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation thereof) by virtue of such Loan Party's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to Section 11.11 and any other "keepwell, support or other agreement for the benefit of such Loan Party and any and all guarantees of such Loan Party's Swap Obligations by other Loan Parties) at the time the Guaranty of such Loan Party, or grant by such Loan Party of a Lien, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Contracts for which such Guaranty or Lien is or becomes excluded in accordance with the first sentence of this definition.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower Representative under Section 10.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a)(ii) or (c), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

"Existing Credit Agreement" has the meaning assigned such term in the Recitals to this Agreement.

"Existing Letter of Credit" means that certain Irrevocable Standby Letter of Credit No. 20009193 dated as of December 31, 2019, issued by TD Bank for the benefit of the State of Arizona on behalf of the Company, in an aggregate amount not to exceed $1,500,000.

"Existing Loans" has the meaning assigned such term in Section 10.23.

"Facility" means the Revolving Facility.

"Facility Termination Date" means the date as of which all of the following shall have occurred: (a) the Aggregate Commitments have terminated, (b) all Obligations have been paid in full (other than contingent indemnification obligations) and (c) all Letters of Credit have terminated or expired (other than Letters of Credit as to which other arrangements with respect thereto satisfactory to the Administrative Agent and the applicable L/C Issuers shall have been made).

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

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

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business

Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to TD Bank on such day on such transactions as determined by the Administrative Agent.

"Federal Reserve Bank of New York's Website" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"First Tier Foreign Subsidiary" means each Foreign Subsidiary with respect to which any one or more of the Loan Parties directly owns or Controls more than 50% of such Foreign Subsidiary's issued and outstanding Equity Interests.

"Fifth Amendment" means that certain Fifth Amendment to Credit Agreement dated as of the November 22, 2019 among the Borrowers party thereto, the Guarantors party thereto, the Lenders party thereto and Administrative Agent.

"Foreign Lender" means, with respect to any Borrower, (a) if such Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if such Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"Foreign Obligor" means a Loan Party that is a Foreign Subsidiary.

"Foreign Subsidiary" means any Subsidiary that is organized under the laws of a jurisdiction other than the United States, a State thereof or the District of Columbia.

"Foreign Subsidiary Holdco" means any direct or indirect Domestic Subsidiary of a Loan Party that does not engage in any material direct operations and substantially all of the assets of which (either directly or indirectly) consists of (a) Equity Interests in one or more Foreign Subsidiaries or (b) Indebtedness owed to or by one or more Foreign Subsidiaries.

"Form 10" means the Form 10 to be filed by Spin-Off Parent with the SEC relating to the Outdoor Products Group Spin-Off and any amendments thereto.

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

"Fronting Exposure" means, at any time there is a Defaulting Lender that is a Revolving Lender, with respect to any L/C Issuer, such Defaulting Lender's Applicable Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Revolving Lenders or Cash Collateralized in accordance with the terms hereof.

"Fund" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guaranteed Obligations" has the meaning set forth in Section 11.01.

"Guarantors" means, collectively, (a) with respect to the Obligations other than the Swap Obligations, the Subsidiaries of the Borrowers (other than any Excluded Subsidiary or any Foreign Subsidiary Holdco) and (b) with respect to the Swap Obligations, the Company and the Subsidiaries of the Company (other than SWSC, SWI, any Excluded Subsidiary and any Foreign Subsidiary Holdco), in each case as are or may from time to time become parties to this Agreement pursuant to Section 6.12.

"Guaranty" means, collectively, the Guarantee made by the Guarantors under Article XI in favor of the Administrative Agent, for the benefit of the Lenders and any Affiliate Counterparty or other Affiliates of any Lender holding any Swap Obligations, together with each other guaranty delivered pursuant to Section 6.12.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Immaterial Subsidiary" means a Foreign Subsidiary that (a) has aggregate assets of less than $10,000,000 and (b) has no direct or indirect Subsidiaries with aggregate assets for all such Subsidiaries of more than $10,000,000.

"Increase Effective Date" has the meaning assigned to such term in Section 2.14(a).

"Increase Joinder" has the meaning assigned to such term in Section 2.14(c).

"Incremental Commitments" means Incremental Revolving Commitments.

"Incremental Revolving Commitment" has the meaning assigned to such term in Section 2.14(a).

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments;

(c) net obligations of such Person under any Swap Contract;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and, in each case, not past due for more than 60 days after the date on which such trade account payable was created);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) capital leases, Synthetic Lease Obligations and other Off-Balance Sheet Liabilities;

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and

(h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any capital lease or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Indemnitees” has the meaning specified in Section 10.04(b).

“Information” has the meaning specified in Section 10.07.

“Insufficiency” has the meaning specified in Section 2.03.

“Intercompany Debt” means unsecured Indebtedness of a Subsidiary of a Borrower owed to a Borrower or a wholly-owned Subsidiary of a Borrower, which Indebtedness shall (i) to the extent required by the Administrative Agent, be evidenced by promissory notes, (ii) be on terms (including subordination terms) acceptable to the Administrative Agent and (iii) be otherwise permitted under the provisions of Section 7.03.

“Interest Payment Date” means, (a) as to any Loan other than a Base Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date of the Facility under which such Loan was made; provided, however, that if any Interest Period for a LIBOR Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan or Swingline Loan, the last Business Day of each March, June, September and December and the Maturity Date of the Facility under which such Loan was made (with Swingline Loans being made under the Revolving Facility for purposes of this definition).

“Interest Period” means as to each LIBOR Rate Loan, the period commencing on the date such LIBOR Rate Loan is disbursed or converted to or continued as a LIBOR Rate Loan and ending on the date one, two, three or six months thereafter, as selected by the Company in its Loan Notice; provided that:

(i) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a LIBOR Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) any Interest Period pertaining to a LIBOR Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(iii) no Interest Period shall extend beyond the Maturity Date of the Facility under which such Loan was made.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor Guarantees Indebtedness of such other Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitutes all or substantially all of the assets of such Person or of a division, line of business or other business unit of such Person. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

"Involuntary Dispositions" means any involuntary loss of, damage to or destruction of, or any condemnation or other taking for public use of, any property of any Loan Party or any Subsidiary.

"IP Rights" has the meaning specified in Section 5.20.

"IRS" means the United States Internal Revenue Service.

"ISP" means the International Standby Practices, International Chamber of Commerce Publication No. 590 (or such later version thereof as may be in effect at the applicable time).

"Issuer Documents" means with respect to any Letter of Credit, any Letter of Credit Application, and any other document, agreement and instrument entered into by any L/C Issuer and a Borrower (or any Subsidiary) or in favor of such L/C Issuer and relating to such Letter of Credit.

"Joinder Agreement" means a joinder agreement substantially in the form of Exhibit F executed and delivered in accordance with the provisions of Section 6.12.

"Laws" means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents

or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"L/C Advance" means, with respect to each Revolving Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Applicable Revolving Percentage.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Revolving Borrowing.

"L/C Commitment" means, with respect to each L/C Issuer, the commitment of such L/C Issuer to issue Letters of Credit hereunder. The aggregate amount of all L/C Issuer's Letter of Credit Commitments is $25,000,000.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Issuer" means, with respect to a particular Letter of Credit, the applicable Lender in its capacity as issuer of such Letter of Credit, or any successor issuer thereof.

"L/C Obligations" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts (including all L/C Borrowings). For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Lender" has the meaning specified in the introductory paragraph hereto, and unless the context requires otherwise, the Swingline Lender.

"Lender Parties" means the Administrative Agent and each of the Lenders.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Company and the Administrative Agent.

"Letter of Credit" means any standby letter of credit issued hereunder and shall include the Existing Letter of Credit.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the applicable L/C Issuer.

“Letter of Credit Expiration Date” means the day that is seven (7) days prior to the Maturity Date then in effect for the Revolving Facility (or, if such day is not a Business Day, the next preceding Business Day).

“Letter of Credit Fee” has the meaning specified in Section 2.16(m).

“Letter of Credit Report” means a certificate from an applicable L/C Issuer to the Administrative Agent in a form approved by the Administrative Agent.

“Letter of Credit Sublimit” means, as of any date of determination, an amount equal to the result of the lesser of (a) $25,000,000 and (b) the Revolving Facility.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“LIBOR” means, with respect to any Interest Period, the rate of interest in the applicable currency (rounded upwards, at the Administrative Agent’s option, to the next 100th of one percent) equal to the Intercontinental Exchange Group (or any successor thereto approved by the Administrative Agent if the Intercontinental Exchange Group is no longer making a LIBOR rate available) LIBOR (“ICE LIBOR”) for such Interest Period as published by Reuters (or such other commercially available source providing quotations of ICE LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 A.M. (London Time) two (2) London Banking Days prior to the first day of such Interest Period; provided, however, if more than one ICE LIBOR is so specified, the applicable rate shall be the arithmetic mean of all such rates. If, for any reason, such rate is not available, the term LIBOR shall mean, with respect to any Interest Period, the rate of interest per annum determined by the Administrative Agent to be the average rate per annum at which deposits in such currency, as applicable, are offered for such Interest Period by major banks in London, England at approximately 11:00 A.M. (London time) two (2) London Banking Days prior to the reset date. Notwithstanding the foregoing, LIBOR Loans shall be deemed to constitute eurocurrency liabilities and as such shall be deemed subject to reserve requirements without benefit of credits for proration, exceptions or offsets that may be available from time to time to any Lender. LIBOR shall be adjusted automatically on and as of the effective date of any change in the LIBOR Reserve Percentage for each LIBOR Advance (including conversions, extensions and renewals), to a per annum interest rate determined pursuant to the following formula:

$$\text{LIBOR Rate} = \frac{\text{LIBOR}}{\text{1 minus LIBOR Reserve Percentage}}$$

Provided, however, if the LIBOR Rate shall be less than 0.50%, such rate shall be deemed to be 0.50% for the purposes of this Agreement.

“LIBOR Reserve Percentage” means, for any day, that percentage (expressed as a decimal) which is in effect from time to time under Regulation D of the Board, as such Regulation may be amended from time to time or any successor Regulation, as the maximum reserve requirement (including, without limitation, any basic, supplemental, emergency, special or marginal reserves) applicable with respect to eurocurrency liabilities as that term is defined in Regulation D (or against any other category of liabilities that includes deposits by reference to which the interest rate of LIBOR Rate Loans is determined), whether or not any Lender has any eurocurrency liabilities subject to such reserve requirement at that time.

“LIBOR Rate Loan” means any Loan the rate of interest applicable to which is based with LIBOR Rate.

“Loan” means an extension of credit by a Lender to the Borrowers under Article II in the form of a Revolving Loan or a Swingline Loan.

“Loan Documents” means collectively, this Agreement, each Note, the Guaranty, each Collateral Document, each Issuer Document, each Joinder Agreement, and (g) any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.14, and the TD Bank Fee Letter, each as amended, modified or supplemented; provided, however, that for purposes of Section 10.01, “Loan Documents” shall mean this Agreement, the Guaranty and the Collateral Documents. For the avoidance of doubt, the “Loan Documents” shall exclude any Swap Contract and any other Bank Product Agreement.

“Loan Notice” means a notice of (a) a Borrowing, (b) a conversion of Loans from one Type to the other, or (c) a continuation of LIBOR Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

“Loan Parties” means, collectively, the Borrowers and each Guarantor.

“London Banking Day” means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank Eurodollar market.

“Master Account” means that certain deposit account (account number ending in 6051) of the Borrower Representative maintained with TD Bank and described in and subject to the Cash Management Agreements, and such other account(s) as the Loan Parties (or the Borrower Representative) and TD Bank may, from time to time, designate as master account(s).

“Master Letter of Credit Agreement” means that certain Master Letter of Credit Agreement, dated as of August 15, 2013, as amended, among the Company, SWSC and TD Bank, N.A., as amended, restated, amended and restated or otherwise modified from time to time.

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent) or condition (financial or otherwise) of the Company or the Company and its Subsidiaries taken as a whole; (b) a material impairment of the ability of any Loan Party to perform its obligations under any Loan Document to which it is a party; (c) from and after the Springing Lien Trigger Date, a material adverse effect on (i) a material portion of the Collateral or (ii) the effectiveness of the Administrative Agent’s Liens on the Collateral, taken as a whole, or the priority of such Liens; or (d) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document to which it is a party.

"Maturity Date" means the earlier of (i) August 24, 2025 or (ii) the date that is six (6) months in advance of the earliest maturity of any Permitted Notes; provided, however, that in each case, if such date is not a Business Day, the Maturity Date shall be the preceding Business Day.

"Minimum Collateral Amount" means, at any time, (a) with respect to Cash Collateral consisting of cash or deposit account balances, an amount equal to 105% of the Fronting Exposure of all L/C Issuers with respect to Letters of Credit issued and outstanding at such time and (b) otherwise, an amount determined by the Administrative Agent and the L/C Issuers in their reasonable discretion.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Company or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including the Company or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Net Cash Proceeds" means the aggregate cash or cash equivalents proceeds received by any Loan Party or any Subsidiary in respect of any Disposition or Involuntary Disposition, net of (a) direct costs incurred in connection therewith (including, without limitation, legal, accounting and investment banking fees and sales commissions), (b) taxes paid or payable as a result thereof and (c) in the case of any Disposition or any Involuntary Disposition, the amount necessary to retire any Indebtedness secured by a Lien permitted under Section 7.01 (ranking senior to any Lien in favor of the Administrative Agent for the benefit of itself and the other Lender Parties) on the related property; it being understood that "Net Cash Proceeds" shall include, without limitation, any cash or cash equivalents received upon the sale or other disposition of any non-cash consideration received by any Loan Party or any Subsidiary in any Disposition or Involuntary Disposition.

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 10.01 and (ii) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Note" means a Revolving Note.

"Notice of Loan Prepayment" means a notice of prepayment with respect to a Loan, which shall be substantially in the form of Exhibit H or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer.

"Obligations" means (a) all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, (b) any Swap Obligations owing to any Lender, Affiliate Counterparty or other Affiliate of any Lender, (c) any Bank Product Obligations and (d) all costs and expenses incurred in connection with the enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding; provided that the Obligations of a Loan Party shall exclude any Excluded Swap Obligations with respect to such Loan Party.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Off-Balance Sheet Liability" of a Person means (a) any repurchase obligation or liability of such Person with respect to accounts or notes receivable sold by such Person, (b) any indebtedness, liability or obligation under any sale and leaseback transaction which is not a capital lease obligation, (c) any indebtedness, liability or obligation under any so-called "synthetic lease" transaction entered into by such Person, or (d) any indebtedness, liability or obligation arising with respect to any other transaction which is the functional equivalent of or takes the place of borrowing but which does not constitute a liability on the balance sheet of such Person (other than operating leases).

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement or limited liability company agreement; (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization; and (d) with respect to all entities, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

"Outdoor Products Group Spin-Off" means the distribution on a pro rata basis to the Company's shareholders in a tax-free transaction, on the terms described in the Form 10, of all of the issued and outstanding common stock of Spin-Off Parent.

"Outdoor Products Group Subsidiaries" means Spin-Off Parent, Crimson Trace Corporation, Battenfeld Technologies, Inc., BTI Tools, LLC, Ultimate Survival Technologies, LLC, AOBC Asia Consulting, LLC, AOB Consulting (Shenzhen), Co., Ltd. and, if Battenfield Acquisition Company Inc. is not the Spin-Off Parent, Battenfield Acquisition Company, Inc.

"Outstanding Amount" means (a) with respect to Revolving Loans and Swingline Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any Borrowings and prepayments or repayments of Revolving Loans and Swingline Loans, as the case may be, occurring on such date; and (b) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrowers of Unreimbursed Amounts.

"Overnight Rate" means, for any day, with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

"Participant" has the meaning specified in Section 10.06(d).

"Participant Register" has the meaning specified in Section 10.06(d).

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Act" means the Pension Protection Act of 2006.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Company and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

“Permitted Acquisition” means any Acquisition by the Company or any Subsidiary in a transaction that (i) is not a Permitted Business Acquisition and (ii) satisfies each of the following requirements:

(a) no Default shall then exist or would exist after giving effect thereto;

(b) receipt by the Administrative Agent of an officer’s certificate of the Borrower Representative certifying that both before and after giving effect to such Acquisition, each of the representations and warranties in the Loan Documents is true and correct (except (i) any such representation or warranty which relates to a specified prior date and (ii) to the extent the Administrative Agent has been notified in writing by the Borrower Representative that any representation or warranty is not correct and the Administrative Agent and Required Lenders have explicitly waived in writing compliance with such representation or warranty) and no Default or Event of Default exists, will exist, or would result therefrom;

(c) as soon as available, but not less than ten (10) days (or such lesser number of days as the Administrative Agent shall approve in its sole discretion) prior to the closing date of such Acquisition, the Borrower Representative shall have provided the Administrative Agent notice of such Acquisition, specifying the purchase price and closing date, together with a general description of the acquisition target’s business and copies of all business and financial information reasonably requested by the Administrative Agent, from time to time, including financial statements of the Loan Parties on a pro forma basis reflecting the financial impact of the Acquisition;

(d) the Borrower Representative shall demonstrate to the reasonable satisfaction of the Administrative Agent that, after giving effect to Acquisition on a pro forma basis, the Adjusted Consolidated Leverage Ratio is less than 3.0:1.0 as of the most recently ended fiscal quarter for which the Company has furnished financial statements in accordance with Section 6.01(a) or (b);

(e) if such Acquisition is an acquisition of the Equity Interests of a Person, the Acquisition is structured so that the acquired Person shall become a direct or indirect wholly-owned Subsidiary of the Company, and shall become a Guarantor pursuant to the terms of this Agreement if such Subsidiary is a Domestic Subsidiary;

(f) if such Acquisition is an acquisition of assets or Equity Interests of any foreign Person, such Acquisition is a Permitted Foreign Subsidiary Loan and Investment;

(g) if such Acquisition is an acquisition of assets, the Acquisition is structured so that a Loan Party shall acquire such assets;

(h) if such Acquisition is an acquisition of Equity Interests, such Acquisition will not result in any violation of Regulations T, U or X;

(i) Reserved;

(j) such Acquisition shall not be a "hostile" Acquisition and shall have been approved by the board of directors (or equivalent) and/or shareholders (or equivalent) of the applicable Loan Party and such Person subject to such Acquisition;

(k) if such Acquisition is an acquisition of Equity Interests and such Acquisition involves a regulated business, such as firearm manufacturing, the Borrower Representative has provided evidence reasonably satisfactory to the Administrative Agent that acquisition target is compliant with all applicable material regulations and has all material licenses, permits and governmental approvals necessary to operate its business and that the acquiring Loan Party has obtained the necessary consents to the transfer of such licenses, permits and governmental approvals;

(l) no Loan Party shall, as a result of or in connection with any such Acquisition, assume or incur any direct or contingent liabilities (whether relating to environmental, tax, litigation, or other matters) that could have a Material Adverse Effect;

(m) except as permitted under Section 7.01, in connection with an Acquisition of the Equity Interests of any Person, all Liens on property of such Person shall be terminated and in connection with an Acquisition of the assets of any Person, all Liens on such assets shall be terminated;

(n) the Person subject to such Acquisition is in the same or a complimentary line of business as the Loan Parties; and

(o) a Responsible Officer of the Company, shall certify (and provide the Administrative Agent with a *pro forma* calculation in form and substance reasonably satisfactory to the Administrative Agent) to the Administrative Agent that, immediately after giving effect to the completion of such Acquisition, on a consolidated basis, the Borrowers will be in compliance with all financial covenants set forth in Section 7.11.

"Permitted Business Acquisition" means any Acquisition by the Company or any Subsidiary in a transaction that satisfies each of the following requirements:

(a) the total consideration paid or payable (including Indebtedness incurred and/or reflected on a consolidated balance sheet of the Company and its Subsidiaries after giving effect to all such Acquisitions and the maximum amount of all deferred payments, including earnouts (as calculated in accordance with GAAP in effect as of the date of such Acquisition) and seller notes) shall not exceed $5,000,000 in any fiscal year of the Company; provided, however, that the limitation on total consideration referenced above will be increased in any fiscal year (commencing with the Company's fiscal year ending April 30, 2022) by an amount equal to the amounts not expended by the Loan Parties for Permitted Business Acquisitions in the prior two (2) fiscal years (commencing with the Company's fiscal year that commenced May 1, 2020); provided, further, that the total consideration for a single Permitted Business Acquisition may not exceed $5,000,000.

(b) no Default shall then exist or would exist after giving effect thereto;

(c) if such Acquisition is an acquisition of assets located outside of the United States or Equity Interests of any foreign Person, such Acquisition is a Permitted Foreign Subsidiary Loan and Investment;

(d) if such Acquisition is an acquisition of Equity Interests, (i) such Acquisition (A) is structured so that the acquired Person shall become a direct or indirect wholly-owned Subsidiary of the Company, and shall become a Guarantor pursuant to the terms of this Agreement if such Subsidiary is a Domestic Subsidiary, (B) shall not be a "hostile" Acquisition and shall have been approved by the board of directors (or equivalent) and/or shareholders (or equivalent) of the applicable Loan Party and such Person subject to such Acquisition and (C) shall not result in any violation of Regulations T, U or X, (ii) except as permitted under Section 7.01, all Liens on property of such Person shall be terminated and (iii) the acquired Person shall be in the same or a complimentary line of business as the Loan Parties;

(e) if such Acquisition is an acquisition of assets, (i) such Acquisition (A) is structured so that the assets are acquired by a Loan Party and (B) shall not result in any violation of Regulations T, U or X, (ii) except as permitted under Section 7.01, all Liens on the acquired assets shall be terminated and (iii) the acquired assets shall be in the same or a complimentary line of business as the Loan Parties;

(f) if such Acquisition is an acquisition of Equity Interests and such Acquisition involves a regulated business, such as firearm manufacturing, the Borrower Representative shall provide, within thirty (30) days (or such greater number of days as the Administrative Agent shall approve in its sole discretion) after the closing date of such Acquisition, evidence reasonably satisfactory to the Administrative Agent that the acquisition target is compliant with all applicable material regulations and the acquiring Loan Party has obtained the necessary material consents to the transfer of such licenses, permits and governmental approvals; and

(g) no Loan Party shall, as a result of or in connection with any such Acquisition, assume or incur any direct or contingent liabilities (whether relating to environmental, tax, litigation, or other matters) that could have a Material Adverse Effect; and

(h) within thirty (30) days (or such greater number of days as the Administrative Agent shall approve in its sole discretion) after the closing date of such Acquisition, the Borrower Representative shall have provided the Administrative Agent (i) notice of such Acquisition, specifying the purchase price and closing date, together with a general description of the acquisition target's business, (ii) evidence demonstrating to the reasonable satisfaction of the Administrative Agent that, after giving pro forma effect to the incurrence of any Indebtedness in connection such Acquisition, the Adjusted Consolidated Leverage Ratio is less than 3.0:1.0 as of the most recently ended fiscal quarter for which the Company has furnished financial statements in accordance with Section 6.01(a) or (b); and (iii) a certificate to the effect that such Acquisition satisfies all the conditions set forth in this definition.

“Permitted Dividends” means declaration and payment of a dividend in cash by the Company to stockholders so long as at the time thereof and after giving effect thereto, (x) no Default shall have occurred and be continuing and (y) the Adjusted Consolidated Leverage Ratio would be less than 3.0:1.0.

“Permitted Foreign Subsidiary Loan and Investment” means, so long as the aggregate of the following do not exceed $20,000,000.00 at any time outstanding:

(a) an investment of cash or property by a Loan Party in a Foreign Subsidiary or a Foreign Subsidiary Holdco made on or after the Restatement Effective Date and, if applicable, the Loan Parties comply with Section 6.12(b) with respect to such investment;

(b) a loan by a Loan Party to a Foreign Subsidiary or a Foreign Subsidiary Holdco, a Guarantee by a Loan Party of Indebtedness of a Foreign Subsidiary or a Foreign Subsidiary Holdco or a pledge, security interest or hypothecation by a Loan Party to secure Indebtedness of a Foreign Subsidiary or a Foreign Subsidiary Holdco, in each case made on or after the Restatement Effective Date; and

(c) an investment of cash or property by a Loan Party in, or loan from a Loan Party to, a Foreign Subsidiary or a Foreign Subsidiary Holdco for the purpose of making for one or more Permitted Acquisitions or Permitted Business Acquisitions and, if applicable, the Loan Parties comply with Section 6.12(b) with respect to such investment.

“Permitted Investments” means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within two hundred seventy (270) days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody’s;

(c) investments in certificates of deposit, banker’s acceptances and time deposits maturing within one hundred eighty (180) days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than $500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than thirty (30) days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above;

(e) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody’s and (iii) have portfolio assets of at least $5,000,000,000; and

(f) Permitted Acquisitions, Permitted Business Acquisitions, Permitted Note Repurchase and Redemptions and Permitted Share Repurchase.

"Permitted Liens" has the meaning specified in Section 7.01.

"Permitted Note Repurchase and Redemption" means payments or prepayments applied to the redemption (or repurchase and immediate cancellation) of Permitted Notes so long as at the time thereof and after giving effect thereto, (x) no Default shall have occurred and be continuing and (y) the Adjusted Consolidated Leverage Ratio would be less than 3.0:1.0.

"Permitted Notes" means debt securities issued by the Company after the Restatement Effective Date, (a) the terms of which do not provide for any scheduled principal repayment, mandatory redemption or sinking fund obligations prior to the date six (6) months after the final Maturity Date of all Loans (other than customary offers to repurchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default), (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate, call protection and redemption premiums), taken as a whole, are not more restrictive to the Company than those set forth in this Agreement, (c) of which no Subsidiary of the Company is an issuer or guarantor, (d) which are not secured by any Liens on any assets of the Company or any of its Subsidiaries and (e) after giving pro forma effect to the incurrence of such Indebtedness, the Loan Parties will remain in compliance with the financial covenants in Section 7.11.

"Permitted Notes Indenture" means the indenture under which any Permitted Notes have been issued; provided, however, no indenture shall be a "Permitted Notes Indenture" if there exist limitations therein on the ability of any Borrower to incur Indebtedness under this Agreement.

"Permitted Share Repurchase" means redemption or repurchase of Equity Interests of the Company, so long as at the time thereof and after giving effect thereto (x) no Default shall have occurred and be continuing and (y) the Adjusted Consolidated Leverage Ratio would be less than 3.0:1.0.

"Permitted Transfers" means (a) Dispositions of inventory in the ordinary course of business; (b) Dispositions of property to any Borrower or any Subsidiary; provided, that if the transferor of such property is a Loan Party then the transferee thereof must be a Loan Party; (c) Dispositions of accounts receivable in connection with the collection or compromise thereof; (d) licenses, sublicenses, leases or subleases granted to others not interfering in any material respect with the business of the Borrowers and their Subsidiaries; (e) the sale or disposition of cash equivalents for fair market value; and (f) Dispositions of accounts receivable due from any customer of any Loan Party pursuant to any Receivable Financing Agreement provided that the dollar amount of accounts receivable Disposed of by the Loan Parties in reliance on this clause (f) during any Fiscal Year shall not exceed $10,000,000 in the aggregate.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Company or any ERISA Affiliate or any such Plan to which the Company or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 6.02.

"Public Lender" has the meaning specified in Section 6.02.

"Qualified ECP Guarantor" means, at any time, each Loan Party with total assets exceeding $10,000,000 or that qualifies at such time as an "eligible contract participant" under the Commodity Exchange Act and can cause another Person to qualify as an "eligible contract participant" at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Receivable Financing Agreements" means any agreement that is either entered into or assumed after July 6, 2016 between any Loan Party and any Receivable Purchaser, providing for, inter alia, the sale of accounts receivable by such Loan Party to such Receivable Purchaser.

"Receivable Financing Documents" means any Receivable Financing Agreement and any Receivable Lien Priority Agreement, together with any document or instrument executed or delivered in connection therewith, as amended from time to time.

"Receivable Lien Priority Agreements" means any agreement that is either entered into or assumed after July 6, 2016 between any Loan Party, the Administrative Agent and any Receivable Purchaser, providing for, inter alia, an acknowledgment by the Administrative Agent that the Obligations are not secured by a lien and security interest in any accounts receivable of such Loan Party sold to such Receivable Purchaser under any Receivable Financing Agreement, as amended from time to time.

"Receivable Purchasers" means any purchaser of accounts receivable under any Receivable Financing Agreement.

"Recipient" means the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

"Register" has the meaning specified in Section 10.06(c).

"Related Parties" means, with respect to any Person, such Person's Affiliate Counterparties and other Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliate Counterparties and other Affiliates.

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

“Required Lenders” means, at any time, at least two (2) Lenders having Total Credit Exposures representing greater than 50% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided that the amount of any participation in any Swingline Loan and Unreimbursed Amount that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the Swingline Lender or the applicable L/C Issuer, as the case may be, in making such determination.

“Responsible Officer” means the chief executive officer, president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party, solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the secretary or any assistant secretary of a Loan Party and, solely for purposes of notices given pursuant to Article II, any other officer or employee of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restatement Effective Date” means the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 10.01.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of the Company or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to the Company’s stockholders, partners or members (or the equivalent Person thereof).

“Revolving Borrowing” means a borrowing consisting of simultaneous Revolving Loans of the same Type and, in the case of LIBOR Rate Loans, having the same Interest Period made by each of the Revolving Lenders pursuant to Section 2.01(b).

“Revolving Commitment” means, as to each Revolving Lender, its obligation to (a) make Revolving Loans to the Borrowers pursuant to Section 2.01(b), (b) purchase participations in L/C Obligations and (c) purchase participations in Swingline Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 2.01 under the caption “Revolving Commitment” or opposite such caption in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. The Revolving Commitment of all of the Revolving Lenders as of the Restatement Effective Date shall be $100,000,000.

“Revolving Exposure” means, as to any Lender at any time, the aggregate Outstanding Amount at such time of its Revolving Loans and such Lender’s participation in L/C Obligations and Swingline Loans at such time.

“Revolving Facility” means, at any time, the aggregate amount of the Revolving Lenders’ Revolving Commitments at such time.

“Revolving Lender” means, at any time, (a) so long as any Revolving Commitment is in effect, any Lender that has a Revolving Commitment at such time or (b) if the Revolving Commitments have terminated or expired, any Lender that has a Revolving Loan or a participation in L/C Obligations or Swingline Loans at such time.

“Revolving Loan” has the meaning specified in Section 2.01(b).

“Revolving Note” means a promissory note made by the Borrowers in favor of a Revolving Lender evidencing Revolving Loans or Swingline Loans, as the case may be, made by such Revolving Lender, substantially in the form of Exhibit C.

“Sanction(s)” means any international economic sanction administered or enforced by the United States Government (including without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority.

“Same Day Funds” means immediately available funds.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Secured Parties” means, collectively, the Administrative Agent, the Lenders, each LC Issuer, the Persons holding Swap Obligations, the Bank Product Providers, each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.05, and the other Persons the Obligations to which are or are purported to be secured by the Collateral under the terms of the Collateral Documents.

“Security Agreement” means a pledge and security agreement among each Loan Party and the Administrative Agent on behalf of the Secured Parties, substantially in the form of Exhibit L attached hereto.

“SOFR” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website.

“Specified Event of Default” any Event of Default of type specified in Section 8.01(a) or Section 8.01(b) (solely with respect to Event of Default arising from a breach of the covenants contained in Section 7.11).

"Specified Loan Party" means any Loan Party that is not then an "eligible contract participant" under the Commodity Exchange Act (determined prior to giving effect to Section 11.11).

"Specified Real Estate" means (a) each owned real property of any Loan Party or a Subsidiary listed on Schedule 1.01(b) as of the Restatement Effective Date and (b) any other real property that is owned by any Loan Party or Subsidiary at any time after the Restatement Effective Date.

"Spin-Off Conditions" has the meaning specified in the Existing Credit Agreement.

"Spin-Off Parent" means American Outdoor Brands, Inc. a Delaware corporation (f/k/a American Outdoor Brands Spin Co.).

"Springing Lien Trigger Event" means the occurrence of either of the following at any time after the Restatement Effective Date: (i) Adjusted Consolidated Leverage Ratio as of the end of any fiscal quarter of the Company is greater than 2.00:1.00 as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(b) or (ii) a Specified Event of Default shall have occurred and be continuing.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Company.

"Swap Contract" means each master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), and/or any other documents, instruments or agreements executed to further evidence or secure the Swap Obligations, as the same may be hereafter amended, restated, renewed, replaced, supplemented or otherwise modified from time to time.

"Swap Obligations" means all obligations of any Loan Party under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act and shall include without limitation, any interest rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, forward transactions, currency swap transactions, cross-currency rate swap transactions, currency options or similar agreements including, without limitation, the Swap Contracts.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap

Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender, Affiliate Counterparty or any other Affiliate of a Lender).

"SWI" means Smith & Wesson Inc. (f/k/a Smith & Wesson Firearms Inc.), a Delaware corporation.

"Swingline Borrowing" means a borrowing of a Swingline Loan pursuant to Section 2.03(a).

"Swingline Lender" means TD Bank in its capacity as provider of Swingline Loans, or any successor swingline lender hereunder.

"Swingline Sublimit" has the meaning specified in Section 2.03(a).

"Swingline Loan" means a loan made pursuant to Section 2.03(a).

"SWSC" has the meaning assigned such term in the introductory paragraph hereto.

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"TD Bank" means TD Bank, N.A.

"TD Bank Fee Letter" means the letter agreement dated as of August 24, 2020 among the Borrowers party thereto, the Administrative Agent and TD Bank.

"Term SOFR" means the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Threshold Amount" means $10,000,000.

"Total Credit Exposure" means, as to any Lender at any time, the unused Commitments, and Revolving Exposure of such Lender at such time.

"Total Revolving Outstandings" means the aggregate Outstanding Amount of all Revolving Loans, Swingline Loans and L/C Obligations.

"Type" means, with respect to a Loan, its character as a Base Rate Loan or a LIBOR Rate Loan.

"UCC" means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

"United States" and "U.S." mean the United States of America.

"Unreimbursed Amount" has the meaning specified in Section 2.16(f).

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(e)(ii)(B)(3).

1.02. Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, any definition of or reference to any agreement, instrument or other document (including any Organization Document) 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 or in any other Loan Document), any reference herein to any Person shall be construed to include such Person's successors and assigns, the words "hereto," "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and 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. Any and all references to "Borrower" regardless of whether preceded by the term a, any, each of, the, all, and/or any other similar term shall be deemed to refer, as the context requires, to each and every party constituting a Borrower, individually and/or in the aggregate.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(d) Any reference herein to a merger, transfer, consolidation, amalgamation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

(e) Terms defined in the UCC in effect on the Restatement Effective Date and not otherwise defined herein shall, unless the context otherwise indicates, have the meanings provided by those definitions. Subject to the foregoing, the term "UCC" refers, as of any date of determination, to the UCC then in effect.

1.03. Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Company and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Company or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Company shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject

to the approval of the Required Lenders); provided that, until so amended, (A) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (B) the Company shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.04. Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05. Zone. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

ARTICLE II

THE COMMITMENTS AND LOANS

2.01. Loans.

(a) [Reserved].

(b) Revolving Borrowings. Subject to the terms and conditions set forth herein, each Revolving Lender severally agrees to make loans (each such loan, a "Revolving Loan") to the Borrowers in Dollars from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Revolving Commitment; provided, however, that after giving effect to any Revolving Borrowing, (i) the Total Revolving Outstandings shall not exceed the Revolving Facility, and (ii) the Revolving Exposure of any Lender shall not exceed such Lender's Revolving Commitment. Within the limits of each Lender's Revolving Commitment, and subject to the other terms and conditions hereof, the Borrowers may borrow Revolving Loans, prepay under Section 2.05, and reborrow under this Section 2.01(b). Revolving Loans may be Base Rate Loans or LIBOR Rate Loans, as further provided herein. All Swingline Loans shall be made as provided in Section 2.03.

2.02. Borrowings, Conversions and Continuations of Loans.

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of LIBOR Rate Loans shall be made upon the Borrower Representative's irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than 2:00 p.m. three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of LIBOR Rate Loans or of any conversion of LIBOR Rate Loans to Base Rate Loans, and one business day prior to the requested date of any Borrowing of Base Rate Loans. Each telephonic notice by the Borrower Representative pursuant to this

Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower Representative. Each Borrowing of, conversion to or continuation of LIBOR Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $250,000 in excess thereof. Except as provided in Section 2.03(b), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify whether the Borrower Representative is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of LIBOR Rate Loans, the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), the principal amount of Loans to be borrowed, converted or continued, the Type of Loans to be borrowed or to which existing Loans are to be converted, and if applicable, the duration of the Interest Period with respect thereto. If the Borrower Representative fails to specify a Type of Loan in a Loan Notice or if the Borrower Representative fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable LIBOR Rate Loans. If the Borrower Representative requests a Borrowing of, conversion to, or continuation of LIBOR Rate Loans in any such Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Loan Notice for a Facility, the Administrative Agent shall promptly notify each Appropriate Lender of the amount of its Applicable Percentage under such Facility of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrower Representative, the Administrative Agent shall notify each Appropriate Lender of the details of any automatic conversion to Base Rate Loans, in each case as described in the preceding subsection. In the case of a Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in Same Day Funds at the Administrative Agent’s Office not later than 1:00 p.m. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing are the initial Loans, Section 4.01), the Administrative Agent shall make all funds so received available to the Borrower Representative or the other applicable Borrower in like funds as received by the Administrative Agent either by crediting the account of such Borrower on the books of TD Bank with the amount of such funds or wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower Representative.

(c) Except as otherwise provided herein, a LIBOR Rate Loan may be continued or converted only on the last day of an Interest Period for such LIBOR Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as LIBOR Rate Loans without the consent of the Required Lenders.

(d) The Administrative Agent shall promptly notify the Borrower Representative and the Lenders of the interest rate applicable to any Interest Period for LIBOR Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower Representative and the Lenders of any change in TD Bank’s prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than five Interest Periods in effect with respect to Loans.

(f) This Section 2.02 shall not apply to Swingline Loans.

(g) Cashless Settlement Mechanism. Notwithstanding anything to the contrary in this Agreement, any Lender may exchange, continue or rollover all or the portion of its Loans in connection with any refinancing, extension, loan modification or similar transaction permitted by the terms of this Agreement, pursuant to a cashless settlement mechanism approved by the Borrower Representative, the Administrative Agent and such Lender.

2.03. Swingline Loans.

(a) To the extent there are insufficient collected funds in the Master Account, as determined on any Business Day by the Administrative Agent in its sole discretion, to pay the fees and charges and other account activity in the Master Account for such Business Day, the Borrower Representative shall be deemed to have given notice to the Administrative Agent and the Swingline Lender, and automatically and irrevocably requested, the borrowing of a Swingline Loan from the Swingline Lender in the amount of such insufficiency (the "Insufficiency"). So long as (x) no Default or Event of Default has occurred and is continuing, and (y) no Lender is then a Defaulting Lender, and subject to the terms and conditions of this Agreement, the Swingline Lender agrees to make a Swingline Loan to the Borrowers on such Business Day in the amount of the Insufficiency; provided, however, the making of such Swingline Loan shall not result in (i) the aggregate principal amount of outstanding Swingline Loans exceeding $5,000,000 (the "Swingline Sublimit") or (ii) the Revolving Exposure of any Lender exceeding the Revolving Commitment of such Lender; provided, further, however, that the Swingline Lender shall not be required to make a Swingline Loan to refinance an outstanding Swingline Loan. The proceeds of each Swingline Loan shall be credited to the Master Account by the Swingline Lender. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Swingline Loans. For the avoidance of doubt, the Borrowers may not request a Swingline Loan except in accordance with the procedures set forth in the first sentence of this Section 2.03(a). Each such Swingline Loan shall be a Base Rate Loan. Each Swingline Loan shall be subject to all other terms and conditions applicable to Revolving Loans made pursuant to Section 2.01(b), except that all payments thereon shall be payable to the Swingline Lender for its own account.

(b) The Swingline Lender may by written notice given to the Administrative Agent not later than 11:00 a.m. on any Business Day require the Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding.

Such notice shall specify the aggregate amount of Swingline Loans in which the Lenders will participate. Promptly upon such notice, the Administrative Agent will give notice thereof to each Lender, specifying in such notice such Lender's Applicable Percentage of such Swingline Loan. Each Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Lender's Applicable Percentage of such Swingline Loan. Each Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner provided in Section 2.12(b) with respect to Loans made by such Lender (and Section 2.12(b) shall apply, mutatis mutandis, through the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amount so received by it from the Lenders. The Administrative Agent shall notify the Borrower Representative of any participations in any Swingline Loan acquired pursuant to this paragraph, and thereafter payments in respect of such Swingline Loan shall be made to the Administrative Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from the Borrowers (or other party on behalf of the Borrowers) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale or participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Lenders that shall have made their payments pursuant to this paragraph and to the Swingline Lender, as their interest may appear; provided, however, that any such payment so remitted shall be repaid to the Swingline Lender or to the Administrative Agent, as applicable, if and to the extent that such payment is required to be refunded to the Borrowers for any reason. The purchase or participations in a Swingline Loan pursuant to this paragraph shall not relieve the Borrowers of any default in the payment thereof.

2.04. Appointment of Borrowers' Representative. Each other Borrower hereby irrevocably appoints the Company as its representative (the "Borrower Representative"), and the Company shall act under this Agreement as the representative of each Borrower for all purposes, including, without being limited to, requesting Borrowings and receiving account statements and other notices and communications to the Borrowers (or any of them) from the Administrative Agent or any Lender. The Administrative Agent and the Lenders may rely, and shall be fully protected in relying, on any request for borrowing, disbursement instruction, report, information or any other notice or communication made or given by the Company, whether in its own name, on behalf of any Borrower, on behalf of "the Borrowers," and neither the Administrative Agent nor any Lender shall have any obligation to make any inquiry or request any confirmation from or on behalf of any Borrower as to the binding effect on it of any such request, instruction, report, information, notice or communication, nor shall the joint and several character of the Borrowers' liability for the Obligations be affected.

2.05. Prepayments.

(a) Optional.

(i) The Borrowers may, upon notice to the Administrative Agent pursuant to delivery to the Administrative Agent of a Notice of Loan Prepayment, at any time or from time to time voluntarily prepay Revolving Loans in whole or in part without premium or penalty subject to Section 3.05; provided that, unless otherwise agreed by the Administrative Agent, (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) three (3) Business Days prior to any date of prepayment of LIBOR Rate Loans and (2) on the date of prepayment of Base Rate Loans; (B) any prepayment of LIBOR Rate Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof; and (C) any prepayment of Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Loans to be prepaid and, if LIBOR Rate Loans are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's ratable portion of such prepayment (based on such Lender's Applicable Percentage in respect of the relevant Facility). If such notice is given by the Borrower, the Borrowers shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of principal shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, such prepayments shall be paid to the Lenders in accordance with their respective Applicable Percentages in respect of the Revolving Facility.

(ii) At any time the Cash Management Agreements are not in effect, the Borrowers may, upon notice to the Swingline Lender pursuant to delivery to the Swingline Lender of a Notice of Loan Prepayment (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swingline Loans in whole or in part without premium or penalty; provided that, unless otherwise agreed by the Swingline Lender, (A) such notice must be received by the Swingline Lender and the Administrative Agent not later than 1:00 p.m. on the date of the prepayment, and (B) any such prepayment shall be in a minimum principal amount of $100,000 or a whole multiple of $100,000 in excess hereof (or, if less, the entire principal thereof then outstanding). Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Borrowers, the Borrowers shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of principal shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05.

(b) Mandatory.

(i) Reserved.

(ii) Reserved.

(iii) Reserved.

(iv) Reserved.

(v) Revolving Outstandings. If for any reason the Total Revolving Outstandings at any time exceed the Revolving Facility at such time, the Borrowers shall immediately prepay Revolving Loans, Swingline Loans and L/C Borrowings and/or Cash Collaterize the L/C Obligations (together with all accrued but unpaid interest thereon) in an aggregate amount equal to such excess.

(vi) Application of Other Payments. Except as otherwise provided in Section 2.15, prepayments of the Revolving Facility made pursuant to this Section 2.05(b)(v), first, shall be applied ratably to the L/C Borrowings and the Swingline Loans and, second, shall be applied to the outstanding Revolving Loans.

Within the parameters of the applications set forth above, prepayments pursuant to this Section 2.05(b) shall be applied first to Base Rate Loans and then to LIBOR Rate Loans in direct order of Interest Period maturities. All prepayments under this Section 2.05(b) shall be subject to Section 3.05, but otherwise without premium or penalty, and shall be accompanied by interest on the principal amount prepaid through the date of prepayment.

2.06. Termination or Reduction of Commitments.

(a) The Borrower Representative may, upon notice to the Administrative Agent, terminate the Revolving Facility or the Letter of Credit Sublimit or from time to time permanently reduce the Revolving Facility or the Letter of Credit Sublimit; provided that (i) any such notice shall be received by the Administrative Agent not later than 11:00 a.m. five (5) Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $10,000,000 or any whole multiple of $1,000,000 in excess thereof, and (iii) the Borrower Representative shall not terminate or reduce (A) the Revolving Facility if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Revolving Facility and (B) the Letter of Credit Sublimit if, after giving effect thereto, the Outstanding Amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Revolving Facility. Any reduction of the Revolving Facility shall be applied to the Revolving Commitment of each Revolving Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the Revolving Facility shall be paid on the effective date of such termination.

(b) Application of Commitment Reductions; Payment of Fees.

The Administrative Agent will promptly notify the Lenders of any termination or reduction of Letter of Credit Sublimit, the Swingline Sublimit or the Revolving Commitment under this Section 2.06. Upon any reduction of the Revolving Commitments, the Revolving Commitment of each Revolving Lender shall be reduced by such Lender's Applicable Revolving Percentage of such reduction amount. All fees in respect of the Revolving Facility accrued until the effective date of any termination of the Revolving Facility shall be paid on the effective date of such termination.

2.07. Repayment of Loans.

(a) [Reserved].

(b) Revolving Loans. The Borrowers jointly and severally shall repay to the Revolving Lenders on the Maturity Date for the Revolving Facility the aggregate principal amount of all Revolving Loans outstanding on such date, together with all accrued and unpaid interest thereon.

(c) Swingline Loans. The Borrowers shall repay jointly and severally each Swingline Loan on the earlier to occur of (x) the Maturity Date for the Revolving Facility and (y) the first date after such Swingline Loan is made that is the 15th or last day of a calendar month and is at least two (2) Business Days after such Swingline Loan is made; provided, that on each date that a Revolving Borrowing under Section 2.01(b) is made, the Borrowers shall repay all Swingline Loans.

2.08. Interest.

(a) Subject to the provisions of subsection (b) below, each LIBOR Rate Loan under a Facility shall bear interest on the outstanding principal amount thereof for each Interest Period from the applicable borrowing date at a rate per annum equal to the LIBOR Rate for such Interest Period plus the Applicable Rate for such Facility; and each Base Rate Loan under a Facility shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for such Facility.

(b) If any amount of principal of any Loan or Swingline Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(i) If any amount (other than principal of any Loan) payable by any Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) Upon the request of the Required Lenders, while any Event of Default exists (other than as set forth in clauses (b)(i) and (b)(ii) above), the Borrowers shall pay interest on the principal amount of all outstanding Obligations (including Letter of Credit Fees) hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09. Fees.

(a) Commitment Fee. The Borrowers shall jointly and severally pay to the Administrative Agent for the account of each Revolving Lender in accordance with its Applicable Percentage, a commitment fee in Dollars equal to the Applicable Rate times the actual daily amount by which the Revolving Facility exceeds the sum of (i) the Outstanding Amount of Revolving Loans and (ii) the Outstanding Amount of L/C Obligations, subject to adjustment as provided in Section 2.15. For the avoidance of doubt, the Outstanding Amount of Swingline Loans shall not be counted towards usage of the Revolving Facility. The commitment fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the last day of the Availability Period. The commitment fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Late Charge. The Borrowers agree to jointly and severally pay the Administrative Agent for the account of the Lenders holding such Obligations, with respect to any payment of principal, interest or fees due under this Agreement that is not made within ten (10) days after its due date, a late charge equal to six percent (6%) of the amount past due.

(c) Other Fees. The Borrowers shall jointly and severally pay to the TD Bank and the Administrative Agent for their own respective accounts, in Dollars, fees in the amounts and at the times specified in the TD Bank Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(i) The Borrowers shall jointly and severally pay to the Lenders, in Dollars, such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10. Computation of Interest and Fees; Retroactive Adjustments ofApplicable Rate.

(a) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the LIBOR Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) If, as a result of any restatement of or other adjustment to the financial statements of the Company or for any other reason, the Company or the Lenders determine that the Adjusted Consolidated Leverage Ratio as calculated by the Company as of any applicable date was inaccurate and a proper calculation of the Adjusted Consolidated Leverage Ratio would have resulted in higher pricing for such period, each Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the applicable Lenders or the applicable L/C Issuer, as the case may be, promptly on demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to any Borrower under the Bankruptcy Code of the United States, automatically and without further action by the Administrative Agent, any Lender or any L/C Issuer), an amount equal to the excess of the amount of interest and fees that should have been paid for such period over the amount of interest and fees actually paid for such period. This paragraph shall not limit the rights of the Administrative Agent, any Lender or any L/C Issuer under Section 2.08(b) or under Article VIII. The Borrowers' obligations under this paragraph shall survive the termination of the Aggregate Commitments and the repayment of all other Obligations hereunder.

2.11. Evidence of Debt.

(a) The Loans and L/C Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Loans and L/C Credit Extensions made by the Lenders to the Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrowers hereunder to pay any amount owing with respect to the Obligations. In the

event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender to a Borrower made through the Administrative Agent, such Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note, which shall evidence such Lender's Loans to such Borrower in addition to such accounts or records. Each Lender may attach schedules to a Note and endorse thereon the date, Type (if applicable), amount, currency and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in Section 2.11(a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swingline Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the account and records of the Administrative Agent shall control in the absence of manifest error.

2.12. Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrowers shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in Dollars and in Same Day Funds not later than 11:00 a.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 11:00 a.m., shall in each case be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by any Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of LIBOR Rate Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date one Business Day prior to such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative

Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to such Borrower to but excluding the date of payment to the Administrative Agent, at in the case of a payment to be made by such Lender, the Overnight Rate, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and in the case of a payment to be made by such Borrower, the interest rate applicable to Base Rate Loans. If such Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to such Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by such Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(i) Payments by Borrowers; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from a Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or any L/C Issuer hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable L/C Issuer, as the case may be, the amount due. In such event, if such Borrower has not in fact made such payment, then each of the Lenders or the applicable L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or such L/C Issuer, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Overnight Rate.

A notice of the Administrative Agent to any Lender or Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender to any Borrower as provided in the foregoing provisions of this Article II, and such funds are not made available to such Borrower by the Administrative Agent because the conditions to the applicable Loans or L/C Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Revolving Loans, to fund participations in Letters of Credit and Swingline Loans and to make payments pursuant to Section 10.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment

under Section 10.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 10.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(f) Pro Rata Treatment. Except to the extent otherwise provided herein: (i) each Borrowing (other than Swingline Borrowings) shall be made from the Appropriate Lenders, each payment of fees under Section 2.09 and clauses (m) and (n) of Section 2.16 shall be made for account of the Appropriate Lenders, and each termination or reduction of the amount of the Commitments shall be applied to the respective Commitments of the Lenders, pro rata according to the amounts of their respective Commitments; (ii) each Borrowing shall be allocated pro rata among the Lenders according to the amounts of their respective Commitments (in the case of the making of Revolving Loans) or their respective Loans that are to be included in such Borrowing (in the case of conversions and continuations of Loans); (iii) each payment or prepayment of principal of Loans by the Borrowers shall be made for account of the Appropriate Lenders pro rata in accordance with the respective unpaid principal amounts of the Loans held by them; and (iv) each payment of interest on Loans by the Borrowers shall be made for account of the Appropriate Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Appropriate Lenders.

2.13. Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of (a) Obligations in respect of the Revolving Facility due and payable to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations due and payable to such Lender at such time to (ii) the aggregate amount of the Obligations in respect of the Revolving Facility due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Revolving Facility due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time or (b) Obligations in respect of any of the Revolving Facility owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations owing (but not due and payable) to such Lender at such time to (ii) the aggregate amount of the Obligations in respect of the Revolving Facility owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Revolving Facility owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all of the Lenders at such time, then, in each case under clauses (a) and (b) above, the Lender receiving such greater proportion shall (A) notify the Administrative Agent of such fact, and (B) purchase (for cash at face value) participations in the

Loans and subparticipations in L/C Obligations and Swingline Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of Obligations in respect of the Revolving Facility then due and payable to the Lenders or owing (but not due and payable) to the Lenders, as the case may be, provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of any Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations and Swingline Loans to any assignee or participant, other than an assignment to the Company or any Affiliate thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.14. Increase in Commitments.

(a) Borrower Request. The Borrower Representative may by written notice to the Administrative Agent elect to request prior to the Maturity Date for the Revolving Facility, an increase to the existing Revolving Commitments (each, an "Incremental Revolving Commitment") by an aggregate amount not in excess of $50,000,000. Each such notice shall specify (i) the date (each, an "Increase Effective Date") on which the Borrower Representative proposes that the Incremental Commitments shall be effective, which shall be a date not less than 15 Business Days after the date on which such notice is delivered to the Administrative Agent and (ii) the identity of each existing Lender or Eligible Assignee to whom the Borrower Representative proposes any portion of such Incremental Commitments be allocated and the amounts of such allocations; provided that any existing Lender approached to provide all or a portion of the Incremental Commitments may elect or decline, in its sole discretion, to provide such Incremental Commitment. Each Incremental Commitment shall be in an aggregate amount of $25,000,000 or any whole multiple of $5,000,000 in excess thereof (provided that such amount may be less than $10,000,000 if such amount represents all remaining availability under the aggregate limit in respect of Incremental Commitments set forth in above).

(b) Conditions. The Incremental Commitments shall become effective as of the Increase Effective Date; provided that:

(i) each of the conditions set forth in Section 4.02 shall be satisfied;

(ii) no Default shall have occurred and be continuing or would result from the borrowings to be made on the Increase Effective Date;

(iii) the representations and warranties contained in Article V and the other Loan Documents are true and correct in all material respects on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall have been true and correct in all material respects as of such earlier date, and except that for purposes of this Section 2.14(b), the representations and warranties contained in Section 5.05(a) and Section 5.05(b) shall be deemed to refer to the most recent financial statements furnished pursuant to subsections (a) and (b), respectively, of Section 6.01.

(iv) on a pro forma basis (assuming, in the case of Incremental Revolving Commitments, that such Incremental Revolving Commitments are fully drawn), the Borrowers shall be in compliance with each of the covenants set forth in Section 7.11 as of the end of the latest fiscal quarter for which internal financial statements are available;

(v) the Borrowers shall jointly and severally make any breakage payments in connection with any adjustment of Revolving Loans pursuant to Section 2.14(d); and

(vi) the Borrower Representative shall deliver or cause to be delivered officer's certificates and legal opinions of the type delivered on the Restatement Effective Date to the extent reasonably requested by, and in form and substance reasonably satisfactory to, the Administrative Agent.

(c) Terms of New Loans and Commitments. The terms and provisions of Revolving Loans made pursuant to new Incremental Revolving Commitments shall be identical to the Revolving Loans;

The Incremental Commitments shall be effected by a joinder agreement (the "Increase Joinder") executed by the Borrowers, the Administrative Agent and each Lender making such Incremental Commitment, in form and substance reasonably satisfactory to each of them. Notwithstanding the provisions of Section 10.01, the Increase Joinder may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section 2.14. In addition, unless otherwise specifically provided herein, from and after the Increase Effective Date all references in Loan Documents to Revolving Loans shall be deemed, unless the context otherwise requires, to include references to Revolving Loans made pursuant to Incremental Revolving Commitments made pursuant to this Agreement. This Section 2.14 shall supersede any provisions in Section 2.13 or Section 10.01 to the contrary.

(d) Adjustment of Revolving Loans. To the extent the Commitments being increased on the relevant Increase Effective Date are Incremental Revolving Commitments, then each Revolving Lender that is acquiring an Incremental Revolving Commitment on the Increase Effective Date shall make a Revolving Loan, the proceeds of which will be used to prepay the Revolving Loans of the other Revolving Lenders immediately prior to such Increase Effective Date, so that, after giving effect thereto, the Revolving Loans outstanding are held by the Revolving Lenders pro rata based on their Revolving Commitments after giving effect to such Increase Effective Date. If there is a new borrowing of Revolving Loans on such Increase Effective Date, the Revolving Lenders after giving effect to such Increase Effective Date shall make such Revolving Loans in accordance with Section 2.01(b).

(e) [Reserved].

(f) Equal and Ratable Benefit. The Loans and Commitments established pursuant to this Section 2.14 shall constitute Loans and Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents, and shall, without limiting the foregoing, benefit equally and ratably from the Guarantees, except that the new Loans may be subordinated in right of payment to the extent set forth in the Increase Joinder.

2.15. Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 10.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any L/C Issuer or the Swingline Lender hereunder; third, to Cash Collateralize the L/C Issuers' Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.17; fourth, as the Borrower Representative may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the

Borrower Representative, to be held in a deposit account and released pro rata in order to (A) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (B) Cash Collateralize the L/C Issuers' future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.17; sixth, to the payment of any amounts owing to the Lenders, the L/C Issuers or Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, any L/C Issuer or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to a Loan Party as a result of any judgment of a court of competent jurisdiction obtained by such Loan Party against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise as may be required under the Loan Documents in connection with any Lien conferred thereunder or directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.15(a)(v). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

No Defaulting Lender shall be entitled to receive any fee payable under Section 2.09(a) for any period during which that Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(A) Letter of Credit Fees. Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Revolving Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(B) Defaulting Lender Fees. With respect to any fee payable under Section 2.09(a) or Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrowers shall (1) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations or Swingline Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (2) pay to each L/C Issuer and the Swingline Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuer's or Swingline Lender's Fronting Exposure to such Defaulting Lender, and (3) not be required to pay the remaining amount of any such fee.

(b) Defaulting Lender Cure. If the Borrower Representative, the Administrative Agent and the Swingline Lender agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Swingline Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.16. Letters of Credit.

(a) The Letter of Credit Issuance. The Borrower Representative may request that a L/C Issuer issue a Letter of Credit on behalf of the Captive Insurance Company and, subject to the terms and conditions set forth herein, (A) such L/C Issuer may agree, in reliance upon the agreements of the Revolving Lenders set forth in this Section, (1) from time to time on any Business Day during the period from the Restatement Effective Date until the Letter of Credit Expiration Date, to issue such Letter of Credit for the account of the Borrower Representative on behalf of the Captive Insurance Company, and to amend or extend a Letter of Credit previously issued by it, in accordance with Section 2.16(b), and (2) to honor drawings under such Letter of Credit; and (B) the Revolving Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower Representative on behalf of the Captive Insurance Company; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (x) the Total Revolving Outstandings shall not exceed the Revolving Facility, (y) the Revolving Exposure of any Revolving Lender shall not exceed such Lender's Revolving Commitment, and (z) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit; provided, further, that any L/C Issuer approached to provide a Letter of Credit for the account of the Borrower Representative on behalf of the Captive Insurance Company may elect or decline, in its sole discretion, to issue such Letter of Credit.

(b) Notice of Issuance, Amendment, Extension, Reinstatement or Renewal.

(i) To request the issuance of a Letter of Credit (or the amendment of the terms and conditions, extension of the terms and conditions, extension of the expiration date, or reinstatement of amounts paid, or renewal of an outstanding Letter of Credit), the Borrower Representative shall deliver (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable L/C Issuer) to an L/C Issuer selected by it and to the Administrative Agent not later than 11:00 a.m. at least two (2) Business Days (or such later date and time as the Administrative Agent and such L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, extended, reinstated or renewed, and specifying the date of issuance, amendment, extension, reinstatement or renewal (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with clause (d) of this Section 2.16), the amount of such Letter of Credit, the name and address of the beneficiary thereof, the purpose and nature of the requested Letter of Credit and such other information as shall be necessary to prepare, amend, extend, reinstate or renew such Letter of Credit. If requested by the applicable L/C Issuer, the Borrower Representative also shall submit a letter of credit application and reimbursement agreement on such L/C Issuer's standard form in connection with any request for a Letter of Credit. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application and reimbursement agreement or other agreement submitted by the Borrower Representative to, or entered into by the Borrower Representative with, an L/C Issuer relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(ii) If the Borrower Representative so requests in any applicable Letter of Credit Application (or the amendment of an outstanding Letter of Credit), the applicable L/C Issuer may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit shall permit such L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon by the Borrowers and the applicable L/C Issuer at the time such Letter of Credit is issued. Unless otherwise directed by the applicable L/C Issuer, the Borrowers shall not be required to make a specific request to such L/C Issuer for any such extension. Once an Auto-

Extension Letter of Credit has been issued, the Revolving Lenders shall be deemed to have authorized (but may not require) the applicable L/C Issuer to permit the extension of such Letter of Credit at any time to an expiration date not later than the date permitted pursuant to Section 2.16(d); provided, that such L/C Issuer shall not (A) permit any such extension if (1) such L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its extended form under the terms hereof (except that the expiration date may be extended to a date that is no more than one (1) year from the then-current expiration date) or (2) it has received notice (which may be in writing or by telephone (if promptly confirmed in writing)) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date from the Administrative Agent that the Required Lenders have elected not to permit such extension or (B) be obligated to permit such extension if it has received notice (which may be in writing or by telephone (if promptly confirmed in writing)) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date from the Administrative Agent, any Revolving Lender or the Borrower Representative that one or more of the applicable conditions set forth in Section 4.02 is not then satisfied, and in each such case directing such L/C Issuer not to permit such extension.

(c) Limitations on Amounts, Issuance and Amendment. A Letter of Credit shall be issued, amended, extended, reinstated or renewed only if (and upon issuance, amendment, extension, reinstatement or renewal of each Letter of Credit the Borrower Representative shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, extension, reinstatement or renewal (x) the aggregate L/C Obligations shall not exceed the L/C Sublimit, (y) the Revolving Exposure of any Lender shall not exceed its Revolving Commitment and (z) the Total Revolving Exposure shall not exceed the total Revolving Commitments.

(i) No L/C Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing the Letter of Credit, or any Law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or the Letter of Credit in particular or shall impose upon such L/C Issuer with respect to the Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the Restatement Effective Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Restatement Effective Date and which such L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of such L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and such L/C Issuer, the Letter of Credit is in an initial stated amount less than $500,000, in the case of a standby Letter of Credit;

(D) any Revolving Lender is at that time a Defaulting Lender, unless such L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to such L/C Issuer (in its sole discretion) with the Borrowers or such Lender to eliminate such L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which such L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion.

(ii) No L/C Issuer shall be under any obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue the Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of the Letter of Credit does not accept the proposed amendment to the Letter of Credit.

(iii) Nothwithstanding anything in this Section 2.16 or this Agreement to the contrary, no L/C Issuer shall issue a Letter of Credit other than for the account of the Borrower Representative on behalf of the Captive Insurance Subsidiary.

(d) Expiration Date. Each Letter of Credit shall have a stated expiration date no later than the earlier of (ix) the date twelve (12) months after the date of the issuance of such Letter of Credit (or, in the case of any extension of the expiration date thereof, whether automatic or by amendment, twelve months after the then-current expiration date of such Letter of Credit) and (x) the date that is five (5) Business Days prior to the Maturity Date.

(e) Participations.

(i) By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount or extending the expiration date thereof), and without any further action on the part of the applicable L/C Issuer or the Lenders, such L/C Issuer hereby grants to each Revolving Lender, and each Revolving Lender hereby acquires from such L/C Issuer, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations pursuant to this clause (e) in respect of Letters of Credit is absolute, unconditional and irrevocable and shall not be affected by any circumstance whatsoever, including any amendment, extension, reinstatement or renewal of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Revolving Commitments.

(ii) In consideration and in furtherance of the foregoing, each Revolving Lender hereby absolutely, unconditionally and irrevocably agrees to pay to the Administrative Agent, for account of the applicable L/C Issuer, such Lender's Applicable Percentage of each L/C Disbursement made by an L/C Issuer not later than 1:00 p.m. on the Business Day specified in the notice provided by the Administrative Agent to the Revolving Lenders pursuant to Section 2.16(f) until such L/C Disbursement is reimbursed by the Borrowers or at any time after any reimbursement payment is required to be refunded to the Borrowers for any reason, including after the Maturity Date. Such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each such payment shall be made in the same manner as provided in Section 2.02 with respect to Loans made by such Lender (and Section 2.02 shall apply, mutatis mutandis, to the payment obligations of the Revolving Lenders pursuant to this Section 2.16), and the Administrative Agent shall promptly pay to the applicable L/C Issuer the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrowers pursuant to Section 2.16(f), the Administrative Agent shall distribute such payment to the applicable L/C Issuer or, to the extent that the Revolving Lenders have made payments pursuant to this clause (e) to reimburse such L/C Issuer, then to such Lenders and such L/C Issuer as their interests may appear. Any payment made by a Lender pursuant to this clause (e) to reimburse an L/C Issuer for any L/C Disbursement shall not constitute a Loan and shall not relieve the Borrowers of their obligation to reimburse such L/C Disbursement.

(iii) Each Revolving Lender further acknowledges and agrees that its participation in each Letter of Credit will be automatically adjusted to reflect such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit at each time such Lender's Commitment is amended pursuant to the operation of Section 2.14, as a result of an assignment in accordance with Section 11.06 or otherwise pursuant to this Agreement.

(iv) If any Revolving Lender fails to make available to the Administrative Agent for the account of the applicable L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.16(e), then, without limiting the other provisions of this Agreement, the applicable L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the applicable L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by such L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Revolving

Loan included in the relevant Revolving Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of any L/C Issuer submitted to any Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (e)(vi) shall be conclusive absent manifest error.

(f) Reimbursement. If an L/C Issuer shall make any L/C Disbursement in respect of a Letter of Credit, the Borrowers shall jointly and severally reimburse such L/C Issuer in respect of such L/C Disbursement by paying to the Administrative Agent an amount equal to such L/C Disbursement not later than 12:00 noon on (i) the Business Day that the Borrower Representative receives notice of such L/C Disbursement, if such notice is received prior to 10:00 a.m. or (ii) the Business Day immediately following the day that the Borrower Representative receives such notice, if such notice is not received prior to such time, provided that, if such L/C Disbursement is not less than $1,000,000, the Borrowers may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.02 or Section 2.04 that such payment be financed with a Borrowing of Base Rate Loans or Swingline Loan in an equivalent amount and, to the extent so financed, the Borrowers' obligation to make such payment shall be discharged and replaced by the resulting Borrowing of Base Rate Loans or Swingline Loan. If the Borrowers fail to make such payment when due, the Administrative Agent shall notify each Revolving Lender of the applicable L/C Disbursement, the payment then due from the Borrowers in respect thereof (the "Unreimbursed Amount") and such Lender's Applicable Percentage thereof. Promptly upon receipt of such notice, each Revolving Lender shall pay to the Administrative Agent its Applicable Percentage of the Unreimbursed Amount pursuant to Section 2.16(e)(ii), subject to the amount of the unutilized portion of the aggregate Revolving Commitments. Any notice given by any L/C Issuer or the Administrative Agent pursuant to this Section 2.16(f) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(g) Obligations Absolute. Each Borrower's joint and several obligation to reimburse L/C Disbursements as provided in clause (f) of this Section 2.16 shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of:

(i) any lack of validity or enforceability of this Agreement, any other Loan Document or any Letter of Credit, or any term or provision herein or therein;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrowers or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), any L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement in such draft or other document being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) waiver by any L/C Issuer of any requirement that exists for such L/C Issuer's protection and not the protection of the Borrowers or any waiver by such L/C Issuer which does not in fact materially prejudice the Borrowers;

(v) honor of a demand for payment presented electronically even if such Letter of Credit required that demand be in the form of a draft;

(vi) any payment made by any L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

(vii) payment by the applicable L/C Issuer under a Letter of Credit against presentation of a draft or other document that does not comply strictly with the terms of such Letter of Credit; or any payment made by any L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(viii) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.16, constitute a legal or equitable discharge of, or provide a right of setoff against, each Borrower's joint and several obligations hereunder.

(h) Examination. The Borrower Representative shall promptly (but in no event later than five Business Days after receipt) examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower Representative's instructions or other irregularity, the Borrower Representative will immediately notify the applicable L/C Issuer. The Borrower Representative shall be conclusively deemed to have waived any such claim against each L/C Issuer and its correspondents unless such notice is given as aforesaid.

(i) Liability. None of the Administrative Agent, the Lenders, any L/C Issuer, or any of their Related Parties shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit by the applicable L/C Issuer or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under

or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms, any error in translation or any consequence arising from causes beyond the control of the applicable L/C Issuer; provided that the foregoing shall not be construed to excuse an L/C Issuer from liability to the Borrowers to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrowers to the extent permitted by applicable Law) suffered by the Borrowers that are caused by such L/C Issuer's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of an L/C Issuer (as finally determined by a court of competent jurisdiction), an L/C Issuer shall be deemed to have exercised care in each such determination, and that:

(i) an L/C Issuer may replace a purportedly lost, stolen, or destroyed original Letter of Credit or missing amendment thereto with a certified true copy marked as such or waive a requirement for its presentation;

(ii) an L/C Issuer may accept documents that appear on their face to be in substantial compliance with the terms of a Letter of Credit without responsibility for further investigation, regardless of any notice or information to the contrary, and may make payment upon presentation of documents that appear on their face to be in substantial compliance with the terms of such Letter of Credit and without regard to any non-documentary condition in such Letter of Credit;

(iii) an L/C Issuer shall have the right, in its sole discretion, to decline to accept such documents and to make such payment if such documents are not in strict compliance with the terms of such Letter of Credit; and

(iv) this sentence shall establish the standard of care to be exercised by an L/C Issuer when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof (and the parties hereto hereby waive, to the extent permitted by applicable Law, any standard of care inconsistent with the foregoing).

Without limiting the foregoing, none of the Administrative Agent, the Lenders, any L/C Issuer, or any of their Related Parties shall have any liability or responsibility by reason of (A) any presentation that includes forged or fraudulent documents or that is otherwise affected by the fraudulent, bad faith, or illegal conduct of the beneficiary or other Person, (B) an L/C Issuer declining to take-up documents and make payment, (C) against documents that are fraudulent, forged, or for other reasons by which that it is entitled not to honor, (D) following a Borrower's waiver of discrepancies with respect to such documents or request for honor of such documents or (E) an L/C Issuer retaining proceeds of a Letter of Credit based on an apparently applicable attachment order, blocking regulation, or third-party claim notified to such L/C Issuer.

(j) Applicability of ISP and UCP. Unless otherwise expressly agreed by the applicable L/C Issuer and the Borrowers when a Letter of Credit is issued by it (including any such agreement applicable to an Existing Letter of Credit), (i) the rules of the ISP shall apply to each standby Letter of Credit. Notwithstanding the foregoing, no L/C Issuer shall be responsible to the Borrowers for, and no L/C Issuer's rights and remedies against the Borrowers shall be impaired by, any action or inaction of any L/C Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where any L/C Issuer or the beneficiary is located, the practice stated in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade – International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(k) Benefits. Each L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each L/C Issuer shall have all of the benefits and immunities (i) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by such L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included such L/C Issuer with respect to such acts or omissions, and (ii) as additionally provided herein with respect to such L/C Issuer.

(l) Letter of Credit Fees. The Borrowers shall jointly and severally pay to the Administrative Agent for the account of each Revolving Lender in accordance with its Applicable Revolving Percentage a Letter of Credit fee (the "Letter of Credit Fee") for each Letter of Credit equal to the Applicable Rate times the daily amount available to be drawn under such Letter of Credit. Letter of Credit Fees shall be (i) payable on the first Business Day following each fiscal quarter end, commencing with the first such date to occur after the issuance of such Letter of Credit and (ii) accrued through and including the last day of each fiscal quarter in arrears. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Lenders, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(m) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuers. The Borrowers shall jointly and severally pay directly to the applicable L/C Issuer for its own account a fronting fee with respect to each Letter of Credit, at the rate per annum equal to the percentage separately agreed upon between the Borrower Representative and such L/C Issuer, computed on the daily amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable no later than the tenth Business Day after the end of each fiscal quarter end in the most recently- ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Maturity

Date and thereafter on demand. In addition, the Borrowers shall jointly and severally pay directly to the applicable L/C Issuer for its own account the customary and reasonable issuance, presentation, amendment and other processing fees, and other standard and reasonable costs and charges, of such L/C Issuer relating to letters of credit as from time to time in effect. Such customary and reasonable fees and standard and reasonable costs and charges are due and payable on demand and are nonrefundable.

(n) Disbursement Procedures. The L/C Issuer for any Letter of Credit shall, within the time allowed by applicable Laws or the specific terms of the Letter of Credit following its receipt thereof, examine all documents purporting to represent a demand for payment under such Letter of Credit. Such L/C Issuer shall promptly after such examination notify the Administrative Agent and the Borrower Representative in writing of such demand for payment if such L/C Issuer has made or will make an L/C Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve any Borrower of its obligation to reimburse such L/C Issuer and the Lenders with respect to any such L/C Disbursement.

(o) Interim Interest. If the L/C Issuer for any standby Letter of Credit shall make any L/C Disbursement, then, unless the Borrowers shall jointly and severally reimburse such L/C Disbursement in full on the date such L/C Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such L/C Disbursement is made to but excluding the date that the Borrowers reimburse such L/C Disbursement, at the rate per annum then applicable to Base Rate Loans; provided that if the Borrowers fail to reimburse such L/C Disbursement when due pursuant to clause (f) of this Section 2.16, then Section 2.08(b) shall apply. Interest accrued pursuant to this clause (p) shall be for account of such L/C Issuer, except that interest accrued on and after the date of payment by any Lender pursuant to clause (f) of this Section 2.16 to reimburse such L/C Issuer shall be for account of such Lender to the extent of such payment.

(p) Reserved.

(q) Cash Collateralization.

(i) If any Event of Default shall occur and be continuing, on the Business Day that the Borrower Representative receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Revolving Lenders with L/C Obligations representing at least 66-2/3% of the total L/C Obligations) demanding the deposit of Cash Collateral pursuant to this clause (q), the Borrowers shall immediately deposit into an account established and maintained on the books and records of the Administrative Agent (the "Collateral Account") an amount in cash equal to 105% of the total L/C Obligations as of such date plus any accrued and unpaid interest thereon, provided that the obligation to deposit such Cash Collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to any Borrower described in clause (f) of Section 8.01. Such deposit shall be held by the Administrative Agent as collateral for the payment and

performance of the obligations of the Borrowers under this Agreement. In addition, and without limiting the foregoing or clause (d) of this Section 2.16, if any L/C Obligations remain outstanding after the expiration date specified in said clause (d), the Borrowers shall immediately deposit into the Collateral Account an amount in cash equal to 105% of such L/C Obligations as of such date plus any accrued and unpaid interest thereon.

(ii) The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over the Collateral Account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at each Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in the Collateral Account. Moneys in the Collateral Account shall be applied by the Administrative Agent to reimburse each L/C Issuer for L/C Disbursements for which it has not been reimbursed, together with related fees, costs, and customary processing charges, and, to the extent not so applied, shall be held for the satisfaction of the joint and several reimbursement obligations of the Borrowers for the L/C Obligations at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with L/C Obligations representing 66-2/3% of the total L/C Obligations), be applied to satisfy other obligations of the Borrowers under this Agreement. If the Borrowers are required to provide an amount of Cash Collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrower Representative within three (3) Business Days after all Events of Default have been cured or waived.

(r) L/C Issuer Reports to the Administrative Agent. Unless otherwise agreed by the Administrative Agent, for so long as any Letter of Credit issued by an L/C Issuer (other than TD Bank) is outstanding, such L/C Issuer shall deliver to the Administrative Agent on the last Business Day of each calendar month and on each date that (1) an L/C Credit Extension occurs or (2) there is any expiration, cancellation and/or disbursement, in each case, with respect to any such Letter of Credit, a Letter of Credit Report appropriately completed with the information for every outstanding Letter of Credit issued by such L/C Issuer.

(s) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, the Captive Insursance Subsidiary, the Borrowers shall jointly and severally be obligated to reimburse, indemnify and compensate the applicable L/C Issuer hereunder for any and all drawings under such Letter of Credit as if such Letter of Credit had been issued solely for the account of such Borrower. Each Borrower irrevocably waives any and all defenses that might otherwise be available to it as a guarantor or surety of any or all of the obligations of the Captive Insurance Subsidiary in respect of such Letter of Credit. Each Borrower hereby acknowledges that the issuance of Letters of Credit for the account of the Captive Insurance Subsidiary inures to the benefit of the Borrowers, and that each Borrower's business derives substantial benefits from the business of the Captive Insurance Subsidiary.

(t) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

2.17. Cash Collateral.

(a) Obligation to Cash Collateralize. At any time there shall exist a Defaulting Lender, within one Business Day following the written request of the Administrative Agent or any L/C Issuer (with a copy to the Administrative Agent), the Borrower shall Cash Collateralize the L/C Issuers' Fronting Exposure with respect to such Defaulting Lender (determined after giving effect to Section 2.15(a)(iv) and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the Minimum Collateral Amount. Additionally, if the Administrative Agent notifies the Company at any time that the Outstanding Amount of all L/C Obligations at such time exceeds 105% of the Letter of Credit Sublimit then in effect, then within two (2) Business Days after receipt of such notice, the Company shall provide Cash Collateral for the Outstanding Amount of the L/C Obligations in an amount not less than the amount by which the Outstanding Amount of all L/C Obligations exceeds the Letter of Credit Sublimit.

(b) Grant of Security Interest. The Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuers and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as Collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.17(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the applicable L/C Issuer as herein or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrowers will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (determined in the case of Cash Collateral provided pursuant to Section 2.15(a)(v), after giving effect to Section 2.15(a)(v) and any Cash Collateral provided by the Defaulting Lender). All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in one or more Controlled Account at TD Bank. The Borrowers shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.17 or Sections 2.03, 2.05, 2.15 or 8.02 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Revolving Lender that is a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Revolving Lender (or, as appropriate, its assignee following compliance with Section 11.06(b)(vi))) or (ii) the determination by the Administrative Agent and the applicable L/C Issuer that there exists excess Cash Collateral; *provided*, *however*, (A) any such release shall be without prejudice to, and any disbursement or other transfer of Cash Collateral shall be and remain subject to, any other Lien conferred under the Loan Documents and the other applicable provisions of the Loan Documents, and (B) the Person providing Cash Collateral and the applicable L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.18. Effect of Benchmark Transition Event.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, the Administrative Agent and the Borrowers may amend this Agreement to replace LIBOR with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all Lenders and the Borrowers so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. Any such amendment with respect to an Early Opt-in Election will become effective on the date that Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders accept such amendment. No replacement of LIBOR with a Benchmark Replacement pursuant to this Section titled “Effect of Benchmark Transition Event” will occur prior to the applicable Benchmark Transition Start Date.

(b) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrowers and the Lenders of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date and Benchmark Transition Start Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark

Replacement Conforming Changes and (iv) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or Lenders pursuant to this Section titled "Effect of Benchmark Transition Event," including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section titled "Effect of Benchmark Transition Event."

(d) Benchmark Unavailability Period. Upon the Borrowers' receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrowers may revoke any request for a Borrowing of a LIBOR Rate Loan, conversion to or continuation of LIBOR Rate Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrowers will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Loans. During any Benchmark Unavailability Period, the component of Base Rate based upon LIBOR will not be used in any determination of Base Rate.

ARTICLE III

TAXES, YIELD PROTECTION AND ILLEGALITY

3.01. Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes. Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(i) If any Loan Party or the Administrative Agent shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(ii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications. Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower Representative by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. Each of the Loan Parties shall, and does hereby, jointly and severally indemnify the Administrative Agent, and shall make payment in respect thereof within 10 days after demand therefor, for any amount which a Lender for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.01(c)(ii) below.

(i) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Party to do so), (y) the Administrative Agent and the Loan Party, as applicable, against any Taxes attributable to such Lender's failure to

comply with the provisions of Section 10.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Loan Party, as applicable, against any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent or a Loan Party in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by the Borrower Representative or the Administrative Agent, as the case may be, after any payment of Taxes by any Loan Party or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, the Borrower Representative shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower Representative, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower Representative or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation. Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower Representative and the Administrative Agent, at the time or times reasonably requested by the Borrower Representative or the Administrative Agent, such properly completed and executed documentation prescribed by applicable Law or the taxing authorities of a jurisdiction pursuant to such applicable Law or reasonably requested by the Borrower Representative or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower Representative or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower Representative or the Administrative Agent as will enable the Borrower Representative or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation either set forth in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below or required by applicable Law other than the Code or the taxing authorities of the jurisdiction pursuant to such applicable Law to comply with the requirements for exemption or reduction of withholding tax in that jurisdiction) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing, in the event that a Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower Representative and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit K-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower Representative within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-2 or Exhibit K-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S.

Tax Compliance Certificate substantially in the form of Exhibit K-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower Representative and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or the Administrative Agent), executed copies (or originals, as required) of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower Representative or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower Representative and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower Representative or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower Representative or the Administrative Agent as may be necessary for the Borrower Representative and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(ii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower Representative and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any 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 3.01, it shall pay to such Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to such Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.02. Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans, or charge interest with respect to any Loan or L/C Credit Extension whose interest is determined by reference to the LIBOR Rate, or to determine or charge interest rates based upon the LIBOR Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the applicable interbank market, then, on notice thereof by such Lender to the Borrower Representative through the Administrative Agent, any obligation of such Lender to make or continue LIBOR Rate Loans or to convert Base Rate Loans to LIBOR Rate Loans, shall be suspended, and if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the LIBOR Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the LIBOR Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower Representative that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrowers shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, convert all LIBOR Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the LIBOR Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such LIBOR Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such LIBOR Rate Loans and (y) if such

notice asserts the illegality of such Lender determining or charging interest rates based upon the LIBOR Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the LIBOR Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the LIBOR Rate. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest on the amount so prepaid or converted.

3.03. Inability to Determine Rates. If in connection with any request for a LIBOR Rate Loan or a conversion to or continuation thereof, the Administrative Agent determines that deposits are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount and Interest Period of such LIBOR Rate Loan, or adequate and reasonable means do not exist for determining the LIBOR Rate for any requested Interest Period with respect to a proposed LIBOR Rate Loan or in connection with an existing or proposed Base Rate Loan, or the Required Lenders determine that for any reason the LIBOR Rate for any requested Interest Period with respect to a proposed LIBOR Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such LIBOR Rate Loan, the Administrative Agent will promptly so notify the Borrower Representative and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain LIBOR Rate Loans shall be suspended, and (y) in the event of a determination described in the preceding sentence with respect to the LIBOR Rate component of the Base Rate, the utilization of the LIBOR Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower Representative may revoke any pending request for a Borrowing of, conversion to or continuation of LIBOR Rate Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

3.04. Increased Costs; Reserves on LIBOR Rate Loans.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.04(e) or any L/C Issuer other than as set forth below);

(ii) subject any Recipient to any Taxes (other than Indemnified Taxes, Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or any L/C Issuer or the London interbank market any other condition, cost or expense affecting this Agreement or LIBOR Rate Loans made by such Lender or any Letter of Credit or any participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the LIBOR Rate (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or such L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or such L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or such L/C Issuer, the Borrower Representative will pay to such Lender or such L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or such L/C Issuer determines that any Change in Law affecting such Lender or such L/C Issuer or any Lending Office of such Lender or such Lender's or such L/C Issuer holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such L/C Issuer capital or on the capital of such Lender's or such L/C Issuer holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender or the Letters of Credit issued by such L/C Issuer, to a level below that which such Lender or such L/C Issuer or such Lender's or such L/C Issuer holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such L/C Issuer policies and the policies of such Lender's or such L/C Issuer holding company with respect to capital adequacy), then from time to time the Borrower Representative will pay to such Lender or such L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such L/C Issuer or such Lender's or such L/C Issuer holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or an L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or such L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower Representative shall be conclusive absent manifest error. The Borrower Representative shall pay such Lender or such L/C Issuer the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or an L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section 3.04 shall not constitute a waiver of such Lender's or such L/C Issuer's right to demand such compensation, provided that no Borrower shall be required to compensate a Lender or an L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or such L/C Issuer, as the case may be, notifies the Borrower Representative of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Additional Reserve Requirements. The Borrower Representative shall pay to each Lender, as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the LIBOR Rate Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan, provided the Borrower Representative shall have received at least 10 days' prior notice (with a copy to the Administrative Agent) of such additional interest or costs from such Lender. If a Lender fails to give notice 10 days prior to the relevant Interest Payment Date, such additional interest or costs shall be due and payable 10 days from receipt of such notice.

3.05. Compensation for Losses. Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrowers shall jointly and severally promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by any Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan on the date or in the amount notified by the Borrower Representative; or

(c) any assignment of a LIBOR Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower Representative pursuant to Section 10.13;

including any loss of anticipated profits, any foreign exchange losses and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan, from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. The Borrowers shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrowers to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each LIBOR Rate Loan made by it at the LIBOR Rate used in determining the LIBOR Rate for such Loan by a matching deposit or other borrowing in the offshore interbank market for such currency for a comparable amount and for a comparable period, whether or not such LIBOR Rate Loan was in fact so funded.

3.06. Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or requires any Borrower to pay any Indemnified Taxes

or additional amounts to any Lender, any L/C Issuer or any Governmental Authority for the account of any Lender or any L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrower Representative such Lender or such L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or such L/C Issuer, such designation or assignment would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and in each case, would not subject such Lender or such L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or such L/C Issuer, as the case may be. The Borrowers hereby jointly and severally agree to pay all reasonable costs and expenses incurred by any Lender any L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrowers may replace such Lender in accordance with Section 10.13.

3.07. Survival. All obligations of the Loan Parties under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder, resignation of the Administrative Agent and the Facility Termination Date.

ARTICLE IV

CONDITIONS PRECEDENT TO LOANS

4.01. Conditions Precedent to Restatement Effective Date. The obligation of each Lender to make Loans hereunder is subject to satisfaction of the following conditions precedent:

(a) The Administrative Agent's receipt of the following, each of which, to the extent applicable, shall be originals or telecopies (followed promptly by originals) properly executed by a Responsible Officer of the signing Loan Party, each dated the Restatement Effective Date (or, in the case of certificates of governmental officials, a recent date before the Restatement Effective Date) and each in form and substance satisfactory to the Administrative Agent and each of the Lenders:

(i) executed counterparts of this Agreement, sufficient in number for distribution to the Administrative Agent, each Lender and the Borrower Representative;

(ii) Notes executed by the Borrowers in favor of each Lender requesting Notes;

(iii) Acknowledgement by each of the Loan Parties as to Guaranty Releases executed by Administrative Agent and each of Crimson Trace Corporation, an Oregon corporation, Battenfeld Acquisition Company, Inc., a Delaware corporation, AOB Products Company (f/k/a/ Battenfeld Technologies, Inc.), a Missouri corporation, BTI Tools, LLC, a Delaware corporation and Ultimate Survival Technologies, LLC a Delaware corporation (collectively, the "Spin-Off Guarantors") with the respect to the termination by the Administrative Agent of the guaranty by the Spin-Off Guarantors of the Obligations under the Existing Credit Agreement;

(iv) Acknowledgement by each of the Loan Parties as to the Pledge Release executed by Administrative Agent and the Company with the respect to the termination by the Administrative Agent of the pledge by the Company of the Equity Interests of AOBC Asia Consulting, LLC;

(v) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;

(vi) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and that each of the Loan Parties is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect;

(vii) a favorable opinion of Greenberg Traurig, LLP, counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, as to such matters concerning the Loan Parties and the Loan Documents as the Required Lenders may reasonably request;

(viii) evidence satisfactory to the Administrative Agent that the Adjusted Consolidated Leverage Ratio of the Company after giving effect to the Outdoor Products Group Spin-Off on a pro forma basis as of the end of the fiscal quarter of the Company ended April 30, 2020 shall be less than or equal to 2.50 to 1.00 (which calculation shall be demonstrated to the reasonable satisfaction of the Administrative Agent);

(ix) evidence satisfactory to the Administrative Agent that the result of (x) the Consolidated Funded Indebtedness of the Company minus (y) unrestricted cash and cash equivalents of the Loan Parties after giving effect to the Outdoor Products Group Spin-Off on a pro forma basis as of the end of the fiscal quarter of the Company ended April 30, 2020 shall be less than $175,000,000 (which calculation shall be demonstrated to the reasonable satisfaction of the Administrative Agent);

(x) a certificate signed by a Responsible Officer of the Company certifying that the conditions specified in Sections 4.02(a) and (b) have been satisfied, and that there has been no event or circumstance since the date of the Audited Financial Statements that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect; that both before and after giving effect to the Outdoor Products Group Spin-Off and this Agreement, that each of the representations and warranties in the Loan Documents is true and correct (except (i) any such representation or warranty which relates to a specified prior date and (ii) to the extent the Administrative Agent has been notified in writing by the Borrower Representative that any representation or warranty is not correct and the Administrative Agent and Required Lenders have explicitly waived in writing compliance with such representation or warranty), (E) no litigation is pending that will prevent the consummation of the Outdoor Products Group Spin-Off, (F) that the terms of the Outdoor Products Group Spin-Off as reflected in the Form 10 and any amendments thereto are consistent in all material respects with the terms described in the written Power Point presentation provided to the Lenders (as defined in the Existing Credit Agreement) on October 1, 2019, (G) the Outdoor Products Group Spin-Off will occur simultaneously with the execution and delivery of this Agreement and (I) that no Default exists or will exist after giving effect to the Outdoor Products Group Spin-Off;

(xi) a Solvency Certificate signed by a Responsible Officer of the Borrower Representative as to the financial condition, solvency and related matters of the Loan Parties, after giving effect to the initial borrowings under the Loan Documents and the other transactions contemplated hereby;

(xii) The Administrative Agent shall have received a Loan Notice with respect to the Loans to be made on the Restatement Effective Date;

(xiii) such other assurances, certificates, documents, consents or opinions as the Administrative Agent or the Required Lenders reasonably may require.

(b) The Administrative Agent and the Lenders shall have received all fees and expenses, if any, owing pursuant to the TD Bank Fee Letter and Section 2.09.

(c) The Administrative Agent shall have received, in form and substance satisfactory to the Administrative Agent, searches of UCC filings in the jurisdiction of incorporation or formation, as applicable, of each Loan Party, copies of the financing statements on file in such jurisdictions and evidence that no Liens exist other than Permitted Liens.

(d) The Administrative Agent shall have received a copy of, or a certificate as to coverage under, the insurance policies required by Section 6.07.

(e) Unless waived by the Administrative Agent, the Borrowers shall have paid all fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent invoiced prior to or on the Restatement Effective Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Company and the Administrative Agent).

(f) Upon the reasonable request of any Lender, such Lender shall have received and shall be reasonably satisfied with, the documentation and other information so requested in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act, and any Loan Party that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall have delivered to each Lender that so requests, a Beneficial Ownership Certification in relation to such Loan Party.

(g) The Administrative Agent shall have received a copy of any management services agreement, licenses and other documents described in the Form 10, executed by Spin-Off Parent and the Company or other applicable Loan Party, which in each case, shall be in form and substance reasonably satisfactory to the Administrative Agent.

(h) The Administrative Agent shall have received such additional information and materials which the Administrative Agent and/or any Lender shall reasonably request or require.

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Restatement Effective Date specifying its objection thereto.

4.02. Conditions to all Loans. The obligation of each Lender to make a Loan on the occasion of a Borrowing (but excluding Revolving Loans the proceeds of which are to reimburse the Swingline Lender for Swingline Loans) and the L/C Issuer to honor any request for an L/C Credit Extension is subject to the following conditions precedent:

(a) The representations and warranties of the Loan Parties contained in Article V and in each other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct on and as of the date of such Loans, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Section 4.02, the representations and warranties contained in subsections (a) and (b) of Section 5.06 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 6.01.

(b) No Default shall exist, or would result from such proposed Loans or from the application of the proceeds thereof.

(c) The Administrative Agent shall have received a Loan Notice, or the Administrative Agent and the applicable L/C Issuer shall have received a request for issuance of a Letter of Credit, each in accordance with the requirements hereof.

Each Loan Notice (other than a Loan Notice requesting only a conversion of Loans to the other Type or a continuation of LIBOR Rate Loans) submitted by the Borrower Representative shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Loan.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to the Administrative Agent and the Lenders that:

5.01. Existence, Qualification and Power. Each Loan Party and each of its Subsidiaries is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to own or lease its assets and carry on its business and execute, deliver and perform its obligations under the Loan Documents to which it is a party, and is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect. The copy of the Organization Documents of each Loan Party provided to the Administrative Agent pursuant to the terms of this Agreement is a true and correct copy of each such document, each of which is valid and in full force and effect.

5.02. Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is or is to be a party have been duly authorized by all necessary corporate or other organizational action, and do not and will not contravene the terms of any of such Person's Organization Documents; conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries, including, without limitation, any Permitted Notes Indenture, or any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or violate any Law.

5.03. Governmental Authorization; Other Consents. No material approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery

or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, or the exercise by the Administrative Agent or any Lender of its rights or the remedies under the Loan Documents other than authorizations, approvals, actions, notices and filings which have been duly obtained.

5.04. Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principals of equity.

5.05. Solvency. (i) The fair value of the assets of the Borrowers, taken as a whole, at a fair valuation, will exceed their debts and liabilities, subordinated, contingent or otherwise, (ii) the present fair saleable value of the property of the Borrowers, taken as a whole, will be greater than the amount that will be required to pay the probable liability of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (iii) the Borrowers, taken as a whole, will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured, and (iv) the Borrowers, taken as a whole, will not have unreasonably small capital with which to conduct the business in which they are engaged as such business is now conducted and is proposed to be conducted after the Restatement Effective Date.

(a) The Borrowers, taken as a whole, do not intend to, or will not permit any of their Subsidiaries to, or believe that they or any of their Subsidiaries, taken as a whole, will, incur debts beyond their ability to pay such debts as they mature, taking into account the timing of and amounts of cash to be received by them or any such Subsidiary and the timing of the amounts of cash to be payable on or in respect of their Indebtedness or the Indebtedness of their Subsidiaries, taken as a whole. The Borrowers will not permit any of their Subsidiaries, taken as a whole, to incur debts beyond their ability to pay such debts as they mature, if, as a result of doing so, it could be reasonably expected to have a Material Adverse Effect on the Borrowers and their Subsidiaries, taken as a whole.

5.06. Financial Statements; No Material Adverse Effect.

(a) The Audited Financial Statements were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; fairly present the financial condition of the Company and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and show all material indebtedness and other liabilities, direct or contingent, of the Company and its Subsidiaries as of the date thereof, including liabilities for taxes and Indebtedness.

(b) [Reserved].

(c) Since the date of the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

(d) The consolidated forecasted balance sheet and statements of income and cash flows of the Company and its Subsidiaries delivered pursuant to Section 6.01(c) were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair in light of the conditions existing at the time of delivery of such forecasts, and represented, at the time of delivery, the Company's best estimate of its future financial condition and performance.

5.07. Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Company after due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against the Company or any of its Subsidiaries or against any of their properties or revenues that purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby, or except as specifically disclosed in Schedule 5.07, either individually or in the aggregate, if determined adversely, could reasonably be expected to have a Material Adverse Effect, and there has been no adverse change in the status, or financial effect on any Loan Party or any Subsidiary thereof, of the matters described on Schedule 5.07.

5.08. No Default. Neither any Loan Party nor any Subsidiary thereof is in default under or with respect to any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.09. Ownership of Property; Liens. Each of the Company and each Subsidiary has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The property of the Company and its Subsidiaries is subject to no Liens, other than Liens permitted by Section 7.01. Schedule 5.09 sets forth the address (including street address, county and state) of all real property that is owned or leased by any Loan Party as of the Restatement Effective Date.

5.10. Environmental Compliance. The Company and its Subsidiaries conduct in the ordinary course of business a review of the effect of existing Environmental Laws and claims alleging potential liability or responsibility for violation of any Environmental Law on their respective businesses, operations and properties, and as a result thereof the Company has reasonably concluded that, except as specifically disclosed in Schedule 5.10, such Environmental Laws and claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.11. Insurance. The properties of the Company and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Company, in such amounts (after giving effect to any self-insurance compatible with the following standards), with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Company or the applicable Subsidiary operates. A true and complete listing of such insurance policies as of the Restatement Effective Date, including issuers, coverages and deductibles, is set forth on Schedule 5.11.

5.12. Taxes. The Company and its Subsidiaries have filed all Federal, state and other material tax returns and reports required to be filed, and have paid all Federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against the Company or any Subsidiary that would, if made, have a Material Adverse Effect.

5.13. ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other Federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the IRS to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the IRS. To the best knowledge of the Company, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Company, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) No ERISA Event has occurred, and neither the Company nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; the Company and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is 60% or higher and neither the Company nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; neither the Company nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; neither the Company nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) Neither the Company nor any ERISA Affiliate maintains or contributes to, or has any unsatisfied obligation to contribute to, or liability under, any active or terminated Pension Plan other than on the Restatement Effective Date, those listed on Schedule 5.13 hereto and thereafter, Pension Plans not otherwise prohibited by this Agreement.

(e) Each Borrower represents and warrants as of the Restatement Effective Date that no Borrower is and will not be using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Pension Plans with respect to the Borrowers' entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement.

5.14. Subsidiaries; Equity Interests. The Company has no Subsidiaries other than those specifically disclosed in Part (a) of Schedule 5.14, and all of the outstanding Equity Interests in such Subsidiaries have been validly issued, are fully paid and nonassessable and are owned by a Loan Party in the amounts specified on Part (a) of Schedule 5.14 free and clear of all Liens. The Company has no equity investments in any other corporation or entity other than those specifically disclosed in Part (b) of Schedule 5.14.

5.15. Margin Regulations; Investment Company Act; Covered Entity.

(a) No Borrower is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock.

(b) None of the Company, any Person Controlling the Company, or any Subsidiary is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

(c) No Loan Party is a Covered Entity.

5.16. Disclosure. The Borrower Representative, on behalf of all Loan Parties, has disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which the Company or any of its Subsidiaries 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. No report, financial statement, certificate or other information furnished (whether in writing or orally) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, 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 they were made, not misleading; provided that, with respect to projected financial information, the Company represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

5.17. Compliance with Laws. Each Loan Party and each Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.18. Taxpayer Identification Number. The true and correct U.S. taxpayer identification number of each Borrower is set forth on Schedule 10.02.

5.19. Casualty, Etc. Neither the businesses nor the properties of any Loan Party or any of its Subsidiaries are affected by any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance) that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.20. Intellectual Property; Licenses, Etc. The Company and its Subsidiaries own, or possess the right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights (collectively, "IP Rights") that are reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person. To the best knowledge of the Company, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by the Company or any Subsidiary infringes upon any rights held by any other Person. No claim or litigation regarding any of the foregoing is pending or, to the best knowledge of the Company, threatened, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.21. OFAC.

(a) Sanctions Concerns. No Loan Party, nor any of its Subsidiaries, or, to the knowledge of any Loan Party and its Subsidiaries, any director, officer, employee, agent, affiliate or representative thereof is an individual or entity that is (i) currently the subject of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a country or territory that is the subject of Sanctions.

(b) Anti-Corruption Laws. Except as set forth on Schedule 5.21, and to the knowledge of the Loan Parties, the Loan Parties and their Subsidiaries have conducted their business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions applicable to the Loan Parties, and have instituted and maintained policies and procedures designed to promote and achieve compliance in all material respects with such laws.

5.22. Reserved.

5.23. EEA Financial Institutions. No Loan Party is an EEA Financial Institution.

5.24. Beneficial Ownership Certification. As of the Restatement Effective Date, the information included in any Beneficial Ownership Certification provided on or prior to the Restatement Effective Date to the Administrative Agent or any the Lender in connection with this Agreement is true and accurate in all respects.

5.25. Security Interest in Collateral.

(a) When executed and delivered by the applicable Loan Parties after the occurrence of any Springing Lien Trigger Event, the provisions of the Collateral Documents will be effective to create in favor of the Administrative Agent for the benefit of the Secured Parties a legal, valid and enforceable first priority Lien (subject to Permitted Liens) on all right, title and interest of the respective Loan Parties in the Collateral described therein. Except for filings to be completed upon the occurrence of any Springing Lien Trigger Event in accordance with Section 6.12 or 6.14 and in accordance with the Collateral Documents, no filing or other action will be necessary to perfect or protect such Liens.

(b) No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (a) the grant by any Loan Party of the Liens to be granted by it pursuant to the Collateral Documents, (b) the perfection or maintenance of the Liens created under the Collateral Documents (including the first priority nature thereof) or (c) the exercise by the Administrative Agent or any Lender of its remedies in respect of the Collateral pursuant to the Collateral Documents, other than authorizations, approvals, actions, notices and filings to perfect the Liens created by the Collateral Documents all of which will be duly obtained promptly (but in any event within ten (10) Business Days) after the occurrence of any Springing Lien Trigger Event.

ARTICLE VI

AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan, any L/C Credit Extension or other Obligation hereunder shall remain unpaid or unsatisfied, the Company shall, and shall (except in the case of the covenants set forth in Sections 6.01, 6.02, and 6.03) cause each Subsidiary to:

6.01. Financial Statements. Deliver to the Administrative Agent (and the Administrative Agent will furnish to each Lender promptly after receipt thereof) in form and detail satisfactory to the Administrative Agent:

(a) as soon as available, but in any event within 90 days after the end of each fiscal year of the Company or, if earlier, 15 days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year, and the related

consolidated statements of income or operations, changes in shareholders' equity, and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, such consolidated statements to be audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Required Lenders, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit; and

(b) as soon as available, but in any event within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Company (or, if earlier, 15 days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal quarter, the related consolidated statements of income or operations for such fiscal quarter and for the portion of the Company's fiscal year then ended, and the related consolidated statements of changes in shareholders' equity, and cash flows for the portion of the Company's fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail, such consolidated statements to be certified by the chief executive officer, chief financial officer, treasurer or controller of the Company as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Company and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes; and

(c) as soon as available, but in any event not later than 92 days after the beginning of each fiscal year of the Company, forecasts prepared by management of the Company, in form satisfactory to the Administrative Agent and the Required Lenders, of consolidated balance sheets and statements of income or operations and cash flows of the Company and its Subsidiaries for the immediately following fiscal year (including the fiscal year in which the Maturity Date occurs).

As to any information contained in materials furnished pursuant to Section 6.02(c), the Company shall not be separately required to furnish such information under subsection (a) or (b) above, but the foregoing shall not be in derogation of the obligation of the Company to furnish the information and materials described in subsections (a) and (b) above at the times specified therein.

6.02. Certificates; Other Information. Deliver to the Administrative Agent (and the Administrative Agent will furnish to each Lender promptly after receipt thereof), in form and detail satisfactory to the Administrative Agent:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b) (commencing with the delivery of the financial statements for the fiscal quarter ended July 31, 2020), (i) a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller of the Company (which delivery may, unless the Administrative Agent, or a Lender requests executed

originals, be by electronic communication including fax or email and shall be deemed to be an original authentic counterpart thereof for all purposes) and (ii) if such financial statements are delivered during any Springing Lien Trigger Period, an updated perfection certificate (which, for the avoidance of doubt, in the case of the absence of any change in any section contained therein from the most recently delivered perfection certificate or supplement thereto, may be satisfied by confirming such absence of change);

(b) promptly after any request by the Administrative Agent or any Lender, copies of any detailed audit reports, management letters or recommendations submitted to the board of directors (or the audit committee of the board of directors) of the Company by independent accountants in connection with the accounts or books of the Company or any Subsidiary, or any audit of any of them;

(c) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Company, and copies of all annual, regular, periodic and special reports and registration statements, including, without limitation, the Form 10, which the Company may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(d) promptly after the furnishing thereof, copies of any statement or report furnished to any holder of debt securities of any Loan Party or any Subsidiary thereof pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Lenders pursuant to Section 6.01 or any other clause of this Section 6.02;

(e) promptly, and in any event within five Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof;

(f) within ten (10) days prior to any merger, consolidation, dissolution or other change in entity structure of any Loan Party or any of its Subsidiaries permitted pursuant to the terms hereof, provide notice of such change in entity structure to the Administrative Agent, along with such other information as reasonably requested by the Administrative Agent;

(g) provide notice to the Administrative Agent, not less than ten (10) days prior (or such shorter period of time as agreed to by the Administrative Agent) of any change in any Loan Party's legal name, state of organization, or organizational existence.

(h) not later than five (5) Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of all notices, requests and other documents (including amendments, waivers and other modifications) so received under or pursuant to any instrument, indenture, loan or credit or similar agreement regarding or related to any breach

or default by any party thereto or any other event that could materially impair the value of the interests or the rights of any Loan Party or otherwise have a Material Adverse Effect and, from time to time upon request by the Administrative Agent, such information and reports regarding such instruments, indentures and loan and credit and similar agreements as the Administrative Agent may reasonably request;

(i) on or prior to October 9, 2020, a consolidated balance sheet of the Company and its Subsidiaries (which, for the avoidance of doubt, shall exclude the Outdoor Products Group Subsidiaries) as at August 31, 2020 after giving effect to the Outdoor Products Group Spin-Off, in form satisfactory to the Administrative Agent and the Required Lenders;

(j) promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act;

(k) to the extent any Loan Party qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, an updated Beneficial Ownership Certification promptly following any change in the information provided in the Beneficial Ownership Certification delivered to any Lender in relation to such Loan Party that would result in a change to the list of beneficial owners identified in such certification; and

(l) promptly, such additional information regarding the business, financial or corporate affairs of the Company or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a) or (b) or Section 6.02(c) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Company posts such documents, or provides a link thereto on the Company's website on the Internet at the website address listed on Schedule 10.02; or (ii) on which such documents are posted on the Company's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) the Company shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its request to the Company to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Company shall notify the Administrative Agent and each Lender (by facsimile or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (*i.e.*, soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Company with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Each Loan Party hereby acknowledges that (a) the Administrative Agent and/or the Arrangers may, but shall not be obligated to, make available to the Lenders materials and/or information provided by or on behalf of the Loan Parties hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on DebtDomain, IntraLinks, Syndtrak or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to any of the Loan Parties or their respective Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. Each Loan Party hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Loan Parties shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Loan Parties or their respective securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information."

6.03. Notices. Promptly notify the Administrative Agent (and the Administrative Agent will notify each Lender promptly after receipt thereof):

(a) of the occurrence of any Default;

(b) of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect, including breach or non-performance of, or any default under, a Contractual Obligation of the Company or any Subsidiary; any dispute, litigation, investigation, proceeding or suspension between the Company or any Subsidiary and any Governmental Authority; or the commencement of, or any material development in, any litigation or proceeding affecting the Company or any Subsidiary, including pursuant to any applicable Environmental Laws;

(c) of the occurrence of any ERISA Event; and

(d) of any material change in accounting policies or financial reporting practices by the Company or any Subsidiary, including any determination by the Company referred to in Section 2.10(b).

Concurrently with the delivery of the Compliance Certificate referred to in Section 6.02(a), the Loan Parties will notify the Administrative Agent of any occurrence of any Disposition or Involuntary Disposition of property or assets for which (with the passage of time) the Borrowers are required to make a mandatory prepayment pursuant to Section 2.05(b)(i).

Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the Company setting forth details of the occurrence referred to therein and stating what action the Company has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04. Payment of Obligations. Pay and discharge as the same shall become due and payable, all its obligations and liabilities, including (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Company or such Subsidiary; (b) all lawful claims which, if unpaid, would by law become a Lien upon its property; and (c) all Indebtedness, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness.

6.05. Preservation of Existence, Etc. Preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.04 or 7.05; take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

6.06. Maintenance of Properties. Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; and use the standard of care typical in the industry in the operation and maintenance of its facilities.

6.07. Maintenance of Insurance.

(a) Maintain with financially sound and reputable insurance companies (or be self-insured pursuant to an insurance program involving the Captive Insurance Subsidiary), insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts (after giving effect to any self-insurance compatible with the following standards) as are customarily carried under similar circumstances by such other Persons and providing for not less than 30 days' prior notice to the Administrative Agent of termination, lapse or cancellation of such insurance, and, not later than ten (10) Business Days after the occurrence of any Springing Lien Trigger Event, as required pursuant to the Collateral Documents.

(b) Within ten (10) Business Days after the occurrence of any Springing Lien Trigger Event, cause the Administrative Agent to be named as lenders' loss payable, loss payee or mortgagee, as its interest may appear, and/or additional insured with respect of

any such insurance providing liability coverage or coverage in respect of any Collateral, and cause, unless otherwise agreed to by the Administrative Agent, each provider of any such insurance to agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to the Administrative Agent that it will give the Administrative Agent twenty (20) days prior written notice before any such policy or policies shall be altered or cancelled (or ten (10) days prior notice in the case of cancellation due to the nonpayment of premiums).

(c) In the event any Loan Party fails to provide Administrative Agent with evidence of the insurance coverage required by this Agreement after the occurrence of any Springing Lien Trigger Event and after advance notice to the Borrower Representative, Administrative Agent may purchase insurance at the expense of the Loan Parties to protect the interests of the Administrative Agent and Lenders in the Collateral. This insurance may, but need not, protect any Loan Party's interests. The coverage purchased by Administrative Agent may not pay any claim made by a Loan Party or any claim that is made against a Loan Party in connection with the Collateral. The Loan Parties may later cancel any insurance purchased by Administrative Agent, but only after providing Administrative Agent with evidence that Loan Parties have obtained insurance as required by this Agreement. If Administrative Agent purchases insurance for the Collateral, the Loan Parties will be responsible for the costs of that insurance to the fullest extent provided by Law including interest and other charges imposed by Administrative Agent in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Obligations. The costs of the insurance may be more than the cost of insurance that Loan Parties are able to obtain on their own.

6.08. Compliance with Laws. Comply with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.09. Books and Records. Maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of the Company or such Subsidiary, as the case may be; and maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over the Company or such Subsidiary, as the case may be.

6.10. Inspection Rights. Permit representatives and independent contractors of the Administrative Agent to visit and inspect any of its properties, to examine its corporate, financial and operating records, and at any time after the occurrence of a Springing Lien Trigger Event, the Collateral, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at the expense of the Company and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Company; provided, however, (i) that,

in the absence of a continuing Event of Default, only one such visit or inspection shall be permitted in any calendar year and (ii) when an Event of Default has occurred and is continuing, the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Company at any time during normal business hours and without advance notice.

6.11. Use of Proceeds. Use the proceeds of the Loans (i) to repay in full all amounts in respect of the Existing Credit Agreement and (ii) for general corporate purposes not in contravention of any Law or of any Loan Document, including, without limitation, Permitted Acquisitions, Permitted Business Acquisitions, Permitted Share Repurchases, Permitted Note Repurchases and Redemptions and working capital purposes.

6.12. Additional Subsidiary Guarantors; Foreign Subsidiaries; Collateral Documents.

(a) Notify the Administrative Agent at the time that (i) any Person becomes a Domestic Subsidiary (other than an Excluded Subsidiary or a Foreign Subsidiary Holdco), (ii) any Excluded Subsidiary ceases to constitute an Excluded Subsidiary or (iii) a Foreign Subsidiary Holdco ceases to be a Foreign Subsidiary Holdco, and promptly thereafter (and in any event within thirty (30) days), cause such Person to (A) become a Guarantor by executing and delivering to the Administrative Agent a Joinder Agreement, (B) at any time after the occurrence of a Springing Lien Trigger Event, grant Liens to the Administrative Agent, for the benefit of the Secured Parties, in all of its tangible and intangible personal property, including Pledged Securities, now owned or hereafter acquired by it and (C) deliver to the Administrative Agent documents of the types referred to in clauses (iii) and (iv) of Section 4.01(a), favorable opinions of counsel to such Person (which shall cover, among other things, the legality, validity, binding effect and enforceability of the documentation referred to in this clause (a)) and such other documents or agreements as the Administrative Agent may reasonably request, all in form, content and scope reasonably satisfactory to the Administrative Agent.

(b) With respect to the creation or acquisition on any date after the Restatement Effective Date, of a First Tier Foreign Subsidiary (other than an Immaterial Subsidiary) or a Foreign Subsidiary Holdco, or if such a First Tier Foreign Subsidiary is no longer an Immaterial Subsidiary at any time after the occurrence of a Springing Lien Trigger Event, the Borrower Representative shall deliver (or cause to be delivered) to the Administrative Agent, as promptly as possible but in any event within thirty (30) days (or such later date as may be agreed upon by the Administrative Agent) of such date, for the benefit of the Lenders and any Affiliate Counterparties or other Affiliates of any Lenders holding any Obligations, the share certificates (or other evidence of equity), if any, owned by a Loan Party and related undated stock transfer powers executed in blank pursuant to the terms of a pledge agreement executed by the appropriate Loan Party; provided, however, that no Loan Party shall be required to pledge more than the Applicable Pledge Percentage of the outstanding shares or other Equity Interest in any such First Tier Foreign Subsidiary or Foreign Subsidiary Holdco.

(c) With respect to any foreign shares pledged to the Administrative Agent, for the benefit of the Lenders and any Affiliate Counterparties or other Affiliates of any Lenders holding any Obligations, on or after the Restatement Effective Date, the Administrative Agent shall, at any time after the occurrence of a Springing Lien Trigger Event, in the discretion of the Administrative Agent or the Required Lenders, have the right to perfect, at the Borrowers' cost, payable upon request therefor (including, without limitation, any foreign counsel, or foreign notary, filing, registration or similar, fees, costs or expenses), its security interest in the pledged securities in the respective foreign jurisdiction; provided that, the Administrative Agent, in its reasonable discretion and in consultation with the Borrower Representative, may waive the requirements of this subsection (c) with respect to the perfection of any pledged securities in any foreign jurisdiction to the extent that it determines that the costs of perfecting its security interests in such pledged securities are excessive in relation to the value of the security to be afforded thereby.

(d) Collateral Access Agreements. Commencing on the date ten (10) Business Days after the occurrence of a Springing Lien Trigger Event in the case of (i) (A) each headquarters location of the Loan Parties and each other location where any significant administrative or governmental functions are performed and each other location where the Loan Parties maintain any books or records (electronic or otherwise) and (B) the Loan Parties' facility at 1800 N. Route Z, Columbia, Missouri, the Loan Parties will provide the Administrative Agent with a Collateral Access Agreement from the respective landlords of such real property and (ii) any personal property Collateral located at any other premises leased by a Loan Party containing personal property Collateral with a value in excess of $10,000,000, within thirty (30) days after the occurrence of a Springing Lien Trigger Event (or such later date as the Administrative Agent may agree to in its sole discretion), the Loan Parties will provide the Administrative Agent with a Collateral Access Agreement from the landlords on such real property to the extent the Loan Parties are able to secure such Collateral Access Agreements after using commercially reasonable efforts (such Collateral Access Agreements shall be in form and substance satisfactory to the Administrative Agent).

(e) Deposit Account Control Agreements. None of the Loan Parties shall open, maintain or otherwise have any deposit or other accounts (including securities accounts) at any bank or other financial institution, or any other account where money or securities are or may be deposited or maintained with any Person, other than (i) deposit accounts held at TD Bank, (ii) securities accounts that are maintained at all times with TD Bank or any other Lender; provided that, promptly, but in any event within thirty (30) days that after the occurrence of any Springing Lien Trigger Event (or such later date as the Administrative Agent shall agree in its sole discretion), the Loan Parties shall deliver to Administrative Agent a securities account control agreement with respect to each such securities account, on terms satisfactory to the Administrative Agent, (iii) deposit accounts established solely as payroll and other zero balance accounts and such accounts are held at TD Bank, (iv) deposit accounts held at any Lender other than TD Bank; provided that, promptly, but in any event within thirty (30) days that after the occurrence of any Springing Lien Trigger Event (or such later date as the Administrative Agent shall agree in its sole discretion), the

Loan Parties shall deliver to Administrative Agent a Deposit Account Control Agreement with respect to each such deposit account referenced in this clause (e)(iv), on terms satisfactory to the Administrative Agent and (v) other deposit accounts, so long as at any time the balance in any such account does not exceed $2,000,000 and the aggregate balance in all such accounts does not exceed $2,000,000.

(f) Further Assurances. Upon the occurrence of a Springing Lien Trigger Event, the Loan Parties will (i) promptly (but in any event within ten (10) Business Days) execute and deliver the Security Agreement to the Administrative Agent and (ii) any time upon request of the Administrative Agent, promptly execute and deliver any and all further instruments and documents and take all such other action as the Administrative Agent may deem necessary or desirable to maintain in favor of the Administrative Agent, for the benefit of the Secured Parties, Liens and insurance rights on the Collateral that are duly perfected in accordance with the requirements of, or the obligations of the Loan Parties under, the Loan Documents and all applicable Laws.

6.13. Depository Banks. Maintain TD Bank as a principal depository bank, including for the maintenance of operating, administrative, cash management, collection activity, and other deposit accounts for the conduct of its business.

6.14. Further Assurances. Promptly upon request by the Administrative Agent, or any Lender through the Administrative Agent, (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Loan Documents, (ii) to the fullest extent permitted by applicable Law, after the occurrence of a Springing Lien Trigger Event, subject any Loan Party's or any of its Subsidiaries' properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) after the occurrence of a Springing Lien Trigger Event, perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Secured Parties the rights granted or now or hereafter intended to be granted to the Secured Parties under any Loan Document or under any other instrument executed in connection with any Loan Document to which any Loan Party or any of its Subsidiaries is or is to be a party, and cause each of its Subsidiaries to do so.

6.15. Anti-Corruption Laws. Conduct its business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions applicable to the Loan Parties and maintain policies and procedures designed to promote and achieve compliance in all material respects with such laws.

ARTICLE VII

NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan any L/C Credit Extension or other Obligation hereunder shall remain unpaid or unsatisfied, the Company shall not, nor shall it permit any Subsidiary to, directly or indirectly:

7.01. Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following (the "Permitted Liens"):

(a) Liens pursuant to any Loan Document securing the Obligations;

(b) Liens existing on the Restatement Effective Date and listed on Schedule 7.01 and any renewals or extensions thereof, provided that the property covered thereby is not changed, the amount secured or benefited thereby is not increased except as contemplated by Section 7.03(b), the direct or any contingent obligor with respect thereto is not changed, and (iv) any renewal or extension of the obligations secured or benefited thereby is permitted by Section 7.03(b);

(c) Liens for Taxes not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(d) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 30 days or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;

(e) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(f) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(g) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(h);

(i) Liens securing Indebtedness permitted under Section 7.03(e); provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and (ii) the Indebtedness secured thereby does not exceed the cost or fair market value, whichever is lower, of the property being acquired on the date of acquisition;

(j) in connection with any Acquisition, any Lien on personal property of the acquisition target with respect to capital leases or purchase money Indebtedness existing prior to acquisition by the Company or any Subsidiary, provided that (i) such Lien shall be limited to the assets financed by such capital lease or purchase money Indebtedness, (ii) such Lien shall not apply to the inventory, accounts and general intangibles of the acquisition target, (iii) such Lien shall not apply or extend to any other assets or property of any Borrower or any other Subsidiary, (iv) such Lien shall secure only those obligations it secures on the date of such acquisition, including any extensions, renewals and replacements thereof, and no future obligations, and (v) such Lien was not granted in contemplation of or in connection with such Acquisition;

(k) Liens arising out of sale and leaseback transactions permitted by Section 7.17, provided that such Liens do not at any time encumber any property other than the property which is the subject of such sale and leaseback transactions;

(l) Liens of a collecting bank arising in the ordinary course of business under the Uniform Commercial Code covering only the items being collected upon; and

(m) Liens granted by any Loan Party to any Receivable Purchaser pursuant to any Receivable Financing Documents, provided that such Liens attach only to accounts receivable transferred to the applicable Receivable Purchaser under the applicable Receivable Financing Documents and to proceeds thereof.

7.02. Investments. Make any Investments, other than the following:

(a) Permitted Investments or Permitted Foreign Subsidiary Loan and Investments;

(b) Investments in existence on the Restatement Effective Date by a Borrower in Equity Interests of its Subsidiaries and other Investments in existence on the Restatement Effective Date as described in Schedule 7.02; provided, that, other than to the extent permitted by clause (c) below, the amount in each case of (i) and (ii) is not increased after the date of this Agreement;

(c) Investments after the date hereof by a Borrower in Equity Interests in a Guarantor;

(d) loans or advances made by any Borrower to any other Borrower or any Guarantor and made by any Guarantor to any Borrower or any other Guarantor;

(e) guarantees constituting Indebtedness permitted by Section 7.03 or arising by endorsement of items for deposit or collection received in the ordinary course of business;

(f) Investments by a Borrower in any Subsidiary to the extent required to make a Permitted Acquisitions or Permitted Business Acquisitions in accordance with the terms of this Agreement;

(g) notes payable, or stock or other securities issued by account debtors to a Loan Party pursuant to plans of reorganization or negotiated agreements with respect to settlement of such account debtor's Accounts in the ordinary course of business, consistent with past practices;

(h) Investments in the form of Swap Contracts permitted by Section 7.03;

(i) Investments of any Person existing at the time such Person becomes a Subsidiary of the Company or consolidates or merges with the Company or any of the Subsidiaries so long as such investments were not made in contemplation of such Person becoming a Subsidiary or of such merger;

(j) Investments received in connection with the dispositions of assets permitted by Section 7.05;

(k) Investments in the Captive Insurance Subsidiary in the form of the issuance of a Letter of Credit pursuant to this Agreement on behalf of the Captive Insurance Subsidiary; and

(l) Investments, in the aggregate, not exceeding $5,000,000 in the aggregate in any fiscal year of the Company; provided, however, that the amount of Investments permitted under this clause (l) will be increased in any fiscal year by an amount equal to amounts not expended in prior fiscal years (commencing with the Company's fiscal year that commenced May 1, 2020).

7.03. Indebtedness. Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under the Loan Documents;

(b) Indebtedness outstanding on the date hereof and listed on Schedule 7.03 and any refinancings, refundings, renewals or extensions thereof; provided that the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder;

(c) Guarantees of the Company or any Subsidiary in respect of any contractual right or Indebtedness otherwise permitted hereunder of the Company or any wholly-owned Subsidiary;

(d) obligations (contingent or otherwise) of the Company or any Subsidiary existing or arising under any Swap Contract, provided that such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation or taking a "market view;";

(e) Indebtedness in respect of capital leases, Synthetic Lease Obligations and purchase money obligations for fixed or capital assets within the limitations set forth in Section 7.01(i), incurred after the Restatement Effective Date, in an aggregate amount, when taken together with any Indebtedness incurred in accordance with Section 7.03(l), not to exceed $45,000,000 at any one time outstanding;

(f) Indebtedness which represents an extension, refinancing, or renewal of any of the Indebtedness described in clause (b) hereof; provided that, the principal amount or interest rate of such Indebtedness is not increased, any Liens securing such Indebtedness are not extended to any additional property of any Borrower, no Loan Party that is not originally obligated with respect to repayment of such Indebtedness is required to become obligated with respect thereto, such extension, refinancing or renewal does not result in a shortening of the average weighted maturity of the Indebtedness so extended, refinanced or renewed, the terms of any such extension, refinancing, or renewal are not less favorable to the obligor thereunder than the original terms of such Indebtedness and if the Indebtedness that is refinanced, renewed, or extended was subordinated in right of payment to the Obligations, then the terms and conditions of the refinancing, renewal, or extension Indebtedness must include subordination terms and conditions that are at least as favorable to the Lender Parties as those that were applicable to the refinanced, renewed, or extended Indebtedness;

(g) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business;

(h) Indebtedness of any Borrower or any Subsidiary in respect of performance bonds, bid bonds, appeal bonds, surety bonds and similar obligations, in each case provided in the ordinary course of business;

(i) Indebtedness in respect of any Permitted Notes;

(j) Intercompany Debt;

(k) Indebtedness in respect of (i) reimbursement obligations owed to TD Bank with respect to letters of credit issued by TD Bank for the account of a Loan Party under the Master Letter of Credit Agreement and (ii) Bank Product Obligations; and

(l) other unsecured Indebtedness not contemplated by the above provisions in an aggregate amount, when taken together with any Indebtedness incurred in accordance with Section 7.03(e), not to exceed $45,000,000 at any one time outstanding.

7.04. Fundamental Changes. Merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as no Default exists or would result therefrom:

(a) any Borrower or any Subsidiary may merge with a Borrower, provided that such Borrower shall be the continuing or surviving Person, or (ii) any one or more other Subsidiaries (other than a Borrower), provided that when any Guarantor is merging with another Subsidiary, the Guarantor shall be the continuing or surviving Person;

(b) any Subsidiary may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to a Borrower or to another Subsidiary; provided that if the transferor in such a transaction is a Guarantor, then the transferee must either be a Borrower or a Guarantor; provided, further, that the Loan Parties shall be permitted to consummate the Outdoor Products Group Spin-Off so long as the Loan Parties have satisfied the Spin-Off Conditions;

(c) in connection with any Permitted Acquisitions or Permitted Business Acquisitions, any Subsidiary of a Borrower may merge into or consolidate with any other Person or permit any other Person to merge into or consolidate with it; provided that the Person surviving such merger shall be a wholly-owned Subsidiary of such Borrower and in the case of any such merger to which any Loan Party (other than a Borrower) is a party, such Loan Party is the surviving Person;

(d) No Loan Party will, or will permit any of its Subsidiaries to, form any new Subsidiary which is a Foreign Subsidiary, except to the extent permitted under the definition of “Permitted Foreign Subsidiary Loan and Investment”; and

(e) Any Loan Party (other than a Borrower) that is a corporation may convert to a limited liability company so long as (a) the Organization Documents of such limited liability company are substantially similar to the Organization Documents of any other Loan Party that is a limited liability company on the Restatement Effective Date, (b) the Administrative Agent is satisfied, in its sole and absolute discretion, that the liabilities and obligations of such Loan Party under the Loan Documents continue to be vested in the converted Loan Party, (c) the Administrative Agent is provided not less than 10 Business Days prior written notice of such conversion) and (d) after the occurrence of any Springing Lien Trigger Event the converted Loan Party shall take all actions as may be required to preserve the validity and perfection of the Liens under the Collateral Documents.

7.05. Dispositions. Make any Disposition or enter into any agreement to make any Disposition, except:

(a) Permitted Transfers;

(b) Dispositions of obsolete or worn out property, whether now owned or hereafter acquired, in the ordinary course of business;

(c) Dispositions of equipment or real property to the extent that such property is exchanged for credit against the purchase price of similar replacement property or the proceeds of such Disposition are reasonably promptly applied to the purchase price of such replacement property;

(d) Dispositions permitted by Section 7.04;

(e) licenses of IP Rights in the ordinary course of business and substantially consistent with past practice;

(f) sale and leaseback transactions permitted by Section 7.17;

(g) dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of any Borrower or any Subsidiary;

(h) the Outdoor Products Group Spin-Off so long as the Loan Parties have satisfied the Spin-Off Conditions; and

(i) Dispositions by the Company and its Subsidiaries not otherwise permitted under this Section 7.05; provided that at the time of such Disposition, no Default shall exist or would result from such Disposition and the aggregate book value of all property Disposed of in reliance on this clause (i) in any single fiscal year shall not exceed (x) at any time prior to the occurrence of a Springing Lien Trigger Event, ten percent (10%) of the total book value of the assets of the Company and its Subsidiaries on a consolidated basis for the most recently-ended fiscal year and (y) at any time after the occurrence of a Springing Lien Trigger Event, five percent (5%) of the total book value of the assets of the Company and its Subsidiaries on a consolidated basis for the most recently-ended fiscal year (for the purposes of the foregoing calculation in clause (ii), for the fiscal year of the Company in which the Outdoor Products Group Spin-Off occurs, such calculation shall be made on a pro forma basis for the consummation of the Outdoor Products Group Spin-Off as if it had occurred on the last day of the fiscal year immediately preceding the year in which the Outdoor Products Group Spin-Off occurs).

For the avoidance of doubt, the Loan Parties agree that no Loan Party that owns intellectual property that is material to the business of the other Loan Parties, taken as a whole, may be transferred, directly or indirectly, to any Excluded Subsidiary.

7.06. Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that, so long as no Default shall have occurred and be continuing at the time of any action described below or would result therefrom:

(a) each Subsidiary of the Company (including, without limitation, SWSC) may make Restricted Payments to the Company, the Guarantors and any other Person that owns an Equity Interest in such Subsidiary, ratably according to their respective holdings of the type of Equity Interest in respect of which such Restricted Payment is being made;

(b) the Company and each Subsidiary (including, without limitation, SWSC) may declare and make dividend payments or other distributions payable solely in the common stock or other common Equity Interests of such Person;

(c) the Company may make Permitted Share Repurchases;

(d) the Company may make Permitted Note Repurchases and Redemptions; and

(e) the Company may make Permitted Dividends.

Notwithstanding the foregoing, the Loan Parties may consummate the Outdoor Products Group Spin-Off so long as the Loan Parties have satisfied the Spin-Off Conditions.

7.07. Change in Nature of Business. Engage in any material line of business substantially different from those lines of business conducted by the Company and its Subsidiaries on the date hereof or any business substantially related or incidental thereto.

7.08. Transactions with Affiliates. Enter into any transaction of any kind with any Affiliate of the Company, whether or not in the ordinary course of business, other than on fair and reasonable terms substantially as favorable to the Company or such Subsidiary as would be obtainable by the Company or such Subsidiary at the time in a comparable arm's length transaction with a Person other than an Affiliate.

7.09. Burdensome Agreements. With the exception of any Permitted Notes Indenture, enter into, or permit to exist, any Contractual Obligation (other than this Agreement or any other Loan Document) that (a) limits the ability (i) of any Subsidiary to make Restricted Payments to a Borrower or any Guarantor or to otherwise transfer property to a Borrower or any Guarantor, (ii) of any Subsidiary to Guarantee the Indebtedness of the Borrowers; (iii) of any Borrower to incur Indebtedness under this Agreement); or (iv) of the Company or any Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person; provided, however, that this clause (iv) shall not prohibit (A) subject to Section 7.22, any negative pledge incurred or provided in favor of any holder of Indebtedness permitted under Section 7.03(e) solely to the extent any such negative pledge relates to the property financed by or the subject of such Indebtedness or (B) the negative pledge provisions set forth in any Receivable Financing Documents; or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person.

7.10. Use of Proceeds. Use the proceeds of any Loan or any L/C Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

7.11. Financial Covenants.

(a) Consolidated Fixed Charge Coverage Ratio. Permit the Consolidated Fixed Charge Coverage Ratio as of the end of any fiscal quarter of the Company to be less than 1.50:1.00.

(b) Adjusted Consolidated Leverage Ratio. Permit the Adjusted Consolidated Leverage Ratio as of the end of any fiscal quarter of the Company to be greater than 3.00:1.00.

7.12. Sanctions. Directly or indirectly, use the proceeds of any Loan or any L/C Credit Extension, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business with any individual, or entity, or in any jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as Lender, Arranger, Administrative Agent, Swingline Lender, L/C Issuer or otherwise) of Sanctions.

7.13. Amendments of Organization Documents; Fiscal Year; Legal Name, State of Formation; Form of Entity and Accounting Changes.

(a) Amend any of its Organization Documents in any manner adverse to the interests and rights of the Administrative Agent or any Lender under the Loan Documents (it being acknowledged and agreed that the conversion of any Loan Party that is a corporation (other than a Borrower) to a limited liability company shall not be deemed to adversely affect the interests and rights of the Administrative Agent or any Lender so long as (a) the Organization Documents of such limited liability company are substantially similar to the Organization Documents of any other Loan Party that is a limited liability company on the Restatement Effective Date, (b) the Administrative Agent is satisfied, in its sole and absolute discretion, that the liabilities and obligations of such Loan Party under the Loan Documents continue to be vested in the converted Loan Party and (c) the Administrative Agent is provided not less than 10 Business Days prior written notice of such conversion);

(b) change its fiscal year;

(c) without providing ten (10) days prior written notice to the Administrative Agent (or such shorter period of time as agreed to by the Administrative Agent), change its name, state of formation, form of organization or principal place of business; or

(d) make any material change in accounting policies or reporting practices, except as required by GAAP.

7.14. Prepayments, Etc. of Indebtedness. Prepay, redeem, purchase, defease or otherwise satisfy or obligate itself to do so prior to the scheduled maturity thereof in any manner (including by the exercise of any right of setoff), or make any payment in violation of any subordination, standstill or collateral sharing terms of or governing any Indebtedness, except (a) the prepayment of the Loans in accordance with the terms of this Agreement, (b) regularly scheduled or required repayments or redemptions of Indebtedness under the Indebtedness set forth in Schedule 7.02 and refinancings and refundings of such Indebtedness in compliance with Section 7.02(b) and (c) a Permitted Note Repurchase and Redemption.

7.15. Amendment, Etc. of Indebtedness.

(a) Amend, modify or change in any manner any term or condition of any material Indebtedness, including, without limitation, any Permitted Notes, but excluding the Indebtedness arising under the Loan Documents, if such amendment or modification would add or change any terms in a manner materially adverse to the Lenders, or shorten the final maturity or average life to maturity or require any payment to be made sooner than originally scheduled or increase the interest rate applicable thereto. Except as otherwise permitted hereunder, without limiting the foregoing, the Company will not permit any Subsidiary to Guarantee any Permitted Notes or any other Indebtedness without the prior written consent of the Required Lenders.

(b) Amend, modify or change in any manner any term or condition of any Receivable Finance Agreement, except for amendments to the Receivable Finance Agreements which (i) are not materially adverse to the interests of the Administrative Agent and the Lenders or (ii) do not adversely affect the Collateral.

7.16. Holding Company Covenant. Permit the Company to engage in any business or activity other than the ownership of all the outstanding shares of capital stock of its Subsidiaries and activities incidental thereto. The Company will not own or acquire any assets (other than Equity Interests of its Subsidiaries as permitted hereunder, the Master Account and the cash proceeds of any Restricted Payments permitted by Section 7.06) or incur any liabilities (other than liabilities under the Loan Documents and liabilities reasonably incurred in connection with its maintenance of its existence), except in accordance with this Agreement.

7.17. Sale and Leaseback Transactions. Enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred, except as permitted by Schedule 7.17 and except for any such sale of any fixed or capital assets by any Borrower or any Subsidiary that is made for cash consideration in an amount not less than the fair value of such fixed or capital asset and is consummated within ninety (90) days after such Borrower or such Subsidiary acquires or completes the construction of such fixed or capital asset.

7.18. Excluded Subsidiary Covenant. Except as otherwise permitted hereunder, permit any Excluded Subsidiary (other than the Captive Insurance Subsidiary) to, directly or indirectly, (i) enter into or permit to exist any transaction or agreement (including any agreement for the

incurrence or assumption of Indebtedness, other than the Obligations or the granting of a Lien, other than to secure the Obligations), between itself and any other Person, (ii) engage in any business or conduct any activity (other than the holding of any Investment held on the Restatement Effective Date (including, without limitation, increasing any such Investment in accordance with the terms of this Agreement) and the performance of ministerial activities and payment of taxes and administrative fees), (iii) transfer any of its assets to, or consolidate or merge with or into, any other Person, (iv) own any property or asset, other than property or assets held on the Restatement Effective Date or (v) have any Subsidiaries.

7.19. Anti-Corruption Laws. Use any Loan or Letter of Credit or the proceeds of any Loan or any L/C Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions applicable to the Loan Parties.

7.20. Senior Credit Facility. After the Restatement Effective Date, enter into any Permitted Notes Indenture that prohibits or limits the incurrence of Indebtedness under this Agreement or any other Obligation.

7.21. Insurance Subsidiary. Notwithstanding anything to the contrary in this Credit Agreement, the Captive Insurance Subsidiary shall not engage in any business other than the business of serving as a captive insurance company for the Company and its Subsidiaries engaged in the firearms business and engaging in such necessary activities related thereto as may be permitted to be engaged in by a captive insurance company pursuant to applicable Laws, rules and regulations and no Loan Party shall make any Investment in the Captive Insurance Subsidiary except to the extent required by Law or as reasonably permitted by the Required Lenders.

7.22. Real Estate Negative Covenant. Notwithstanding anything to the contrary contained herein or in any other Loan Document or Collateral Document, after the occurrence of a Springing Lien Trigger Event, no Loan Party will:

(a) create, permit to exist or incur any lien, easement, restriction or other encumbrance on the Specified Real Property (or any interest therein) except for Liens permitted under Sections 7.01(c) and (g); or

(b) make or permit any sale, lease, assignment, or transfer of any Loan Party’s fee interest in the Specified Real Property.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

8.01. Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. Any Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or any L/C Obligation or deposit any funds as Cash Collateral in respect of L/C Obligations, or (ii) within five days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) within five days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. The Company fails to perform or observe any term, covenant or agreement contained in any of Section 6.03(a), 6.05, 6.11 or 6.12 or Article VII, or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Company or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made; or

(e) Cross-Default. The Company or any Subsidiary fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or Cash Collateral in respect thereof to be demanded; (A) an "Event of Default" occurs under any Swap Contract or any other existing or future agreement (related or unrelated) between the Company or any Subsidiary and any Lender, any Affiliate Counterparty or any other Affiliate of any Lender where the Company or such Subsidiary is the defaulting party or (B) there occurs under any other Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from any Event of Default (as defined in such Swap Contract) under such Swap Contract as to which the Company or any Subsidiary is the Defaulting Party (as defined in such Swap Contract) and the Swap Termination Value owed by the Company or such Subsidiary as a result thereof is greater than the Threshold Amount; or the Company or any Subsidiary fails to make any payment in respect of any Indebtedness (other than the Obligations) owed pursuant to the Master Letter of Credit Agreement when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) and such failure continues after the

applicable grace or notice period, if any, specified in the document relating thereto on the date of such failure; or fails to perform or observe any other condition or covenant, or any other event shall occur or condition exist, under any agreement or instrument relating to the Master Letter of Credit Agreement, if the effect of such failure, event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause such Indebtedness to be declared to be due and payable prior to its stated maturity (without regard to any subordination terms with respect thereto); or

(f) Insolvency Proceedings, Etc. Any Loan Party or any of its Subsidiaries institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for 60 calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for 60 calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. The Company or any Subsidiary becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within 60 days after its issue or levy; or

(h) Judgments. There is entered against the Company or any Subsidiary one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments or orders) exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage), or any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, enforcement proceedings are commenced by any creditor upon such judgment or order, or there is a period of 60 consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of the Company under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, or the Company or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. Any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document; or

(k) Change of Control. There occurs any Change of Control; or

(l) Collateral Documents. Commencing on the date of effectiveness of any Collateral Document, any Collateral Document shall at any time for any reason cease to create a valid and perfected first priority Lien (subject to Permitted Liens) on the Collateral purported to be covered thereby, or any Loan Party shall assert the invalidity of such Liens; or

(m) Permitted Notes Indenture. The occurrence of any “Event of Default” under and as defined in a Permitted Notes Indenture.

Without limiting the provisions of Article VIII, if a Default shall have occurred under the Loan Documents, then such Default will continue to exist until it either is cured (to the extent specifically permitted) in accordance with the Loan Documents or is otherwise expressly waived by the Administrative Agent (with the approval of the requisite Appropriate Lenders (in their sole discretion) as determined in accordance with Section 10.01.

8.02. Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the Commitment of each Lender to make Loans and any obligation of each L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such Commitments and obligations shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrowers;

(c) require that the Borrowers Cash Collateralize the L/C Obligations (in an amount equal to the Minimum Collateral Amount with respect thereto); and

(d) exercise on behalf of itself, the Lenders and the L/C Issuers all rights and remedies available to it, the Lenders and the L/C Issuers under the Loan Documents or applicable Law or equity;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to any Borrower under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of each L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrowers to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

If any Event of Default has occurred and is continuing, the Lenders, any Affiliate Counterparties or other Affiliates of Lenders may pursue any and all remedies provided for under any Swap Contracts.

8.03. Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations, including, without limitation, at any time after a Springing Lien Trigger Event has occurred, proceeds of Collateral, shall, subject to the provisions of Section 2.15, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and L/C Issuers (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuers (including fees and time charges for attorneys who may be employees of any Lender or any L/C Issuer) and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans, L/C Advances and other Obligations, ratably among the Lenders and the L/C Issuers in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans, L/C Borrowings, Swap Obligations, Bank Product Obligations and to the Administrative Agent for the account of the applicable L/C Issuer, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit to the extent not otherwise Cash Collateralized by the Borrowers pursuant to Sections 2.16 and 2.14, in each case ratably among the Administrative Agent, the Lenders, the L/C Issuers, the Persons holding Swap Obligations and the Bank Product Providers in proportion to the respective amounts described in this clause Fourth held by them; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Company or as otherwise required by Law.

Notwithstanding the foregoing, Obligations arising under Bank Product Agreements and Swap Contracts shall be excluded from the application described above in this Section 8.03 if the Administrative Agent has not received a written notice, together with such supporting documentation as the Administrative Agent may request, from the applicable Bank Product Provider or Person holding Swap Obligations, as the case may be. Each Bank Product Provider or Person holding Swap Obligations not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX for itself and its Affiliates as if a "Lender" party hereto.

ARTICLE IX

ADMINISTRATIVE AGENT

9.01. Appointment and Authority.

(a) Each of the Lenders hereby irrevocably appoints TD Bank to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuers, and neither the Borrowers nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) The Administrative Agent shall also act as the "collateral agent" under the Loan Documents, and each of the Lenders (including in its capacities as a Lender and potential counterparty to Swap Contracts and potential Bank Product Provider) and each LC Issuer hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and such LC Issuer for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 9.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of all provisions of this Article IX and Article X including Section 10.04(c), as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents) as if set forth in full herein with respect thereto.

9.02. Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust, financial, advisory, underwriting or other business with the Borrowers or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders or to provide notice to or consent of the Lenders with respect thereto.

9.03. Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent and its Related Parties:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any of the Borrowers or any of their respective Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

Neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or not taken by the Administrative Agent under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby or thereby (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (ii) in the absence of its own gross

negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower Representative, a Lender or an L/C Issuer. In the event that the Administrative Agent receives such a notice, the Administrative Agent shall immediately give notice thereof to the Lenders.

Neither the Administrative Agent nor any of its Related Parties have any duty or obligation to any Lender or participant or any other Person to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent, (vi) the creation, perfection or priority of any Lien purported to be created by the Collateral Documents or (vii) the value or the sufficiency of any Collateral.

9.04. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon and shall be fully protected in relying, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person and shall be fully protected in relying, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or such L/C Issuer, unless the Administrative Agent shall have received notice to the contrary from such Lender or such L/C Issuer, prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts. For purposes of determining compliance with the conditions specified in Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Restatement Effective Date specifying its objections.

9.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative

Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.06. Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give written notice of its resignation to the Lenders, the L/C Issuers and the Borrower Representative. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower Representative, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the L/C Issuers, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law, by notice in writing to the Borrower Representative and such Person remove such Person as Administrative Agent and, in consultation with the Borrower Representative, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the L/C Issuers under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time,

if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (A) while the retiring or removed Administrative Agent was acting as Administrative Agent and (B) after such resignation or removal for as long as any of them continues to act in any capacity hereunder or under the other Loan Documents, including, without limitation, (1) acting as collateral agent or otherwise holding any collateral security on behalf of any of the Secured Parties and (2) in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

(d) Any resignation by TD Bank as Administrative Agent pursuant to this Section shall also constitute its resignation as an L/C Issuer and Swingline Lender. If TD Bank resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.16(c). If TD Bank resigns as Swingline Lender, it shall retain all the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.03(b). Upon the appointment by the Borrower Representative of a successor Swingline Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Swingline Lender, as applicable, and the retiring Swingline Lender shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents.

9.07. Non-Reliance on Administrative Agent and Other Lenders. Each Lender and each L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and each L/C Issuer also acknowledges that it will,

independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08. No Other Duties, Etc. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or in any other Loan Document, the Arrangers, Joint Book Runners and Co-Syndication Agents shall not have any duties or responsibilities, nor shall the Arrangers, Joint Book Runners, and Co-Syndication Agents have or be deemed to have any fiduciary relationship with any Lender or any L/C Issuer, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Arrangers, Joint Book Runners and Co-Syndication Agents.

9.09. Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, the L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuers and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuers and the Administrative Agent under Sections 2.09 and 10.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuers, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 10.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or any L/C Issuer to authorize the Administrative Agent to vote in respect of the claim of any Lender or any L/C Issuer in any such proceeding.

(c) The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Obligations (including accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (i) at any sale thereof conducted under the provisions of the Bankruptcy Code of the United States, including under Sections 363, 1123 or 1129 of the Bankruptcy Code of the United States, or any similar Laws in any other jurisdictions to which a Loan Party is subject, (ii) at any other sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable Law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) in the asset or assets so purchased (or in the Equity Interests or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase). In connection with any such bid (A) the Administrative Agent shall be authorized to form one or more acquisition vehicles to make a bid, (B) to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or Equity Interests thereof shall be governed, directly or indirectly, by the vote of the Required Lenders, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in clauses (a) through (h) of Section 10.1 of this Agreement), and (C) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of debt credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Lenders pro rata and the Equity Interests and/or debt instruments issued by any acquisition vehicle on account of the Obligations that had been assigned to the acquisition vehicle shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action.

9.10. Guaranty Matters. Without limiting the provisions of Section 9.09, the Lenders and each L/C Issuer irrevocably authorize the Administrative Agent, at its option and in its discretion, to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent’s authority to release any Guarantor from its obligations under the Guaranty pursuant to this Section 9.10.

9.11. Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments, or this agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84–14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95–60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90–1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91–38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96–23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84–14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84–14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84–14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any other Loan Party, that the Administrative Agent is not a fiduciary with

respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

9.12. Collateral Matters.

(a) Each of the Lenders (including in its capacities as a potential Bank Product Provider and a potential holder of Swap Obligations) and each of the L/C Issuers irrevocably authorize the Administrative Agent, at its option and in its discretion,

(i) to release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (i) upon the Facility Termination Date, (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document, or (iii) if approved, authorized or ratified in writing by the Required Lenders in accordance with Section 10.01; and

(ii) to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 7.01(i); and

(b) Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 9.12. In each case as specified in this Section 9.12, the Administrative Agent will, at the Borrowers' expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 9.12.

(c) The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

9.13. Bank Product Agreements and Swap Contracts. Except as otherwise expressly set forth herein, no Bank Product Provider or Person holding Swap Obligations that obtains the benefit of the provisions of Section 8.03, the Guaranty or any Collateral by virtue of the provisions hereof or any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) (or to notice of or to

consent to any amendment, waiver or modification of the provisions hereof or of the Guaranty or any Collateral Document) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article IX to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Bank Product Agreements and Swap Contracts except to the extent expressly provided herein and unless the Administrative Agent has received a written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Bank Product Provider or Person holding Swap Obligations, as the case may be. The Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Bank Product Agreements in the case of a Facility Termination Date.

ARTICLE X

MISCELLANEOUS

10.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrowers or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders (or by the Administrative Agent with the written consent of the Required Lenders) and the Borrowers or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01(a) without the written consent of each Lender;

(b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender (it being understood and agreed that a waiver of any condition precedent in Section 4.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(c) postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayments) of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or any L/C Borrowing, or (subject to clause (ii) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document, or change the manner of computation of any financial ratio (including any change in any applicable defined term) used in determining the Applicable Rate that would result in a reduction of any interest rate on any Loan or any fee payable hereunder without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of “Default Rate” or to waive

any obligation of any Borrower to pay interest or Letter of Credit Fees at the Default Rate or to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Borrowing or to reduce any fee payable hereunder;

(e) Change (i) Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender or (ii) the order of application of any reduction in the Commitments or any prepayment of Revolving Loans from the application thereof set forth in the applicable provisions of Section 2.05(b) or Section 2.06(b), respectively, in any manner that materially and adversely affects the Lenders under a Facility without the written consent of all Revolving Lenders or (iii) Section 2.12(f) in a manner that would alter the pro rata application required thereby without the written consent of each Lender directly affected thereby;

(f) Change the definition of "Springing Lien Trigger Event" or, after the occurrence of any Springing Lien Trigger Event, without the consent of each Lender, release all or substantially all of the Collateral in any transaction or series of related transactions or, except as set forth in Section 9.12(a)(ii), subordinate any Lien on any of the Collateral;

(g) change any provision of this Section 10.01 or the definition of "Appropriate Lenders" or "Required Lenders" or any other provision of any Loan Document specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or thereunder or make any determination or grant any consent hereunder without the written consent of each Lender; or

(h) release all or substantially all of the value of the Guaranty without the written consent of each Lender, except to the extent the release of any Guarantor is permitted pursuant to Section 9.10 (in which case such release may be made by the Administrative Agent acting alone);

and, provided, further, that no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuers and Swingline Lender in addition to the Lenders required above, affect the rights or duties of the L/C Issuers and the Swingline Lender under this Agreement; no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; and the TD Bank Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

Any amendment, waiver or consent with respect to this Agreement or any of the other Loan Documents that (i) amends or modifies this Section 10.01, (ii) except to the extent that the Lenders are similarly adversely impacted, modifies any other provision of this Agreement or other Loan Documents in a manner that adversely impacts the rights of an Affiliate Counterparty or other Affiliates of any Lender holding any Swap Obligations: (x) with respect to the priority hereunder or thereunder of any security for any Swap Obligations (including, without limitation, the definitions of Affiliate Counterparty, Obligations, Swap Contract and Swap Obligations, or (y) as

an indemnitee hereunder or thereunder; or (iii) imposes any additional obligations on an Affiliate Counterparty or other Affiliates of any Lender holding any Swap Obligations, in each case under this Section 10.01 shall, in addition to the consent of the applicable Lenders, require the consent of any Affiliate Counterparty and any other Affiliates of any Lender holding any Swap Obligations.

Notwithstanding anything to the contrary herein, (A) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender, or all Lenders or each affected Lender under a Facility, may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender, or all Lenders or each affected Lender under a Facility, that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender; (B) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersedes the unanimous consent provisions set forth herein; and (C) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

Notwithstanding any provision herein to the contrary, this Agreement may be amended with the written consent of the Required Lenders, the Administrative Agent and the Loan Parties (i) to add one or more additional revolving credit facilities to this Agreement, in each case subject to the limitations in Section 2.14, and to permit the extensions of credit and all related obligations and liabilities arising in connection therewith from time to time outstanding to share ratably (or on a basis subordinated to the existing facilities hereunder) in the benefits of this Agreement and the other Loan Documents with the obligations and liabilities from time to time outstanding in respect of the existing facilities hereunder, and (ii) in connection with the foregoing, to permit, as deemed appropriate by the Administrative Agent and approved by the Required Lenders, the Lenders providing such additional credit facilities to participate in any required vote or action required to be approved by the Required Lenders or by any other number, percentage or class of Lenders hereunder.

Notwithstanding anything to the contrary, without the consent of any other Person, the applicable Loan Party or Loan Parties and the Administrative Agent may (in its or their respective sole discretion, or shall, to the extent required by any Loan Document) enter into any amendment or waiver of any Loan Document, or enter into any new agreement or instrument, to effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, or as required by local law to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable Law.

Notwithstanding anything to the contrary herein the Administrative Agent may, with the prior written consent of the Loan Parties only, amend, modify or supplement this Agreement or

any of the other Loan Documents to cure any ambiguity, omission, mistake, defect or inconsistency, and such amendment shall become effective without any further consent of any other party to such Loan Document so long as (i) such amendment, modification or supplement does not adversely affect the rights of any Lender or other holder of Obligations in any material respect and (ii) the Lenders shall have received at least five Business Days' prior written notice thereof and the Administrative Agent shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment.

If any Lender does not consent to a proposed amendment, waiver, consent or release with respect to any Loan Document that requires the consent of each Lender and that has been approved by the Required Lenders, the Borrowers may replace such Non-Consenting Lender in accordance with Section 10.13; provided that such amendment, waiver, consent or release can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrowers to be made pursuant to this paragraph).

10.02. Notices; Effectiveness; Electronic Communication.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower Representative or any other Loan Party, the Administrative Agent, any L/C Issuer or the Swingline Lender to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 10.02; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Company).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Administrative Agent, the Lenders, the Swingline Lender and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or any L/C Issuer pursuant to Article II if such Lender or such L/C Issuer as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, the Swingline Lender, any L/C Issuer or the Borrower Representative may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Borrower, any Lender, any L/C Issuer, any Loan Party or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Company's, any other Loan Party's or the Administrative Agent's transmission of Borrower Materials through the Internet.

(d) Change of Address, Etc. Each of the Borrowers, the Administrative Agent, each L/C Issuer and the Swingline Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number for

notices and other communications hereunder by notice to the Borrower Representative, the Administrative Agent, each L/C Issuer and the Swingline Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Company or its securities for purposes of United States Federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuers and Lenders. The Administrative Agent, each L/C Issuer and the Lenders shall be entitled to rely and act upon any notices (including telephonic or electronic notices, Loan Notices, Letter of Credit Applications, Notices of Loan Prepayment and Swingline Loan Notices) purportedly given by or on behalf of any Borrower even if such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties jointly and severally shall indemnify the Administrative Agent, each Lender, each L/C Issuer and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of any Borrower. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

10.03. No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender, any L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or under any other Loan Document preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders all the L/C Issuers and any Affiliate Counterparties or other Affiliates of Lenders and the L/C Issuers; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from

exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any L/C Issuer or the Swingline Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as an L/C Issuer or Swingline Lender as the case may be) hereunder or under the other Loan Documents, (c) any Lender or Affiliate Counterparty or other Affiliate of any Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.13), or (d) any Lender, Affiliate Counterparty or other Affiliate of any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

10.04. Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrowers shall jointly and severally pay all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration (including, without limitation, the perfection and protection of the Collateral) of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof, including, without limitation, in connection with any pledge of Equity Interests of a Foreign Subsidiary (whether or not the transactions contemplated hereby or thereby shall be consummated), all reasonable out-of-pocket expenses incurred by the L/C Issuers in connection with the issuance, amendment, extension, reinstatement or renewal of any Letter of Credit or any demand for payment thereunder, and all out-of-pocket expenses incurred by the Administrative Agent, any Lender or any L/C Issuer (including the fees, charges and disbursements of any counsel for the Administrative Agent, any Lender or any L/C Issuer), and shall pay all fees and time charges for attorneys who may be employees of the Administrative Agent, any Lender or any L/C Issuer in connection with the enforcement or protection of its rights in connection with this Agreement and the other Loan Documents (including, without limitation, the Collateral Documents), including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Borrowers. The Borrowers shall jointly and severally indemnify the Administrative Agent (and any sub-agent thereof), each Lender and each L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and

hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Company or any other Loan Party) other than such Indemnitee and its Related Parties arising out of, in connection with, or as a result of the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by any L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by any Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to any Borrower or any of its Subsidiaries, or any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by a Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by a Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if a Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. Without limiting the provisions of Section 3.01(c), this Section 10.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), any L/C Issuer or the Swingline Lender, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), any L/C Issuer the Swingline Lender, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), provided further that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), such L/C Issuer or the Swingline Lender, in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), such L/C Issuer or the Swingline Lender, in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, no Loan Party shall assert, and hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after written demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 10.02(e) shall survive the resignation of the Administrative Agent and the Swingline Lender, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

10.05. Payments Set Aside. To the extent that any payment by or on behalf of any Borrower is made to the Administrative Agent, any L/C Issuer or any Lender, or the Administrative Agent, any L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, such L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Lenders and the L/C Issuers under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

10.06. Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrowers nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except to an assignee in accordance with the provisions of subsection (b) of this Section, by way of participation in accordance with the provisions of subsection (d) of this Section, or by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuers and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and Swingline Loans) at the time owing to it); provided that (in each case with respect to any Facility) any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility and/or the Loans at the time owing to it (in each case with respect to any Facility) or contemporaneous assignments to related Approved Funds (determined after giving effect to such Assignments) that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower Representative otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement and the other Loan Documents with respect to the Loans or the Commitment assigned, except that this clause (ii) shall not apply to the Swingline Lender's rights and obligations in respect of Swingline Loans.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower Representative (such consent not to be unreasonably withheld or delayed) shall be required unless an Event of Default has occurred and is continuing at the time of such assignment or such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that the Borrower Representative shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five Business Days after having received notice thereof; and provided further that the Borrower Representative's consent shall not be required during the primary syndication of the Revolving Facility;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the consent of each L/C Issuer and the Swingline Lender shall be required for any assignment in respect of the Revolving Facility.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to the Company or any of the Company's Affiliates or Subsidiaries, to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or to a natural Person.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower Representative and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, any L/C Issuer or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swingline Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 10.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, each Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrowers (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and

stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, any Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person, a Defaulting Lender or the Company or any of the Company's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participation in L/C Obligations and/or Swingline Loans) owing to it); provided that such Lender's obligations under this Agreement shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and the Borrowers, the Administrative Agent, the L/C Issuers and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 10.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 that affects such Participant. The Borrowers agree that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 10.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower Representative's request and expense, to use reasonable efforts to cooperate with the Borrower Representative to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose

as an agent of the Borrower Representative, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Resignation as L/C Issuer or Swingline Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time any L/C Issuer and/or the Swingline Lender assigns all of its Revolving Commitment and Revolving Loans pursuant to clause (b) above, such L/C Issuer and such Swingline Lender, as applicable, may, (i) upon thirty (30) days' notice to the Administrative Agent, the Borrowers and the Lenders, resign as an L/C Issuer and/or (ii) upon thirty (30) days' notice to the Borrowers, resign as Swingline Lender. In the event of any such resignation as an L/C Issuer or Swingline Lender, the Borrowers shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swingline Lender hereunder; provided, however, that no failure by the Borrower Representative to appoint any such successor shall affect the resignation of the applicable L/C Issuer and the Swingline Lender as an L/C Issuer or Swingline Lender, as the case may be. If TD Bank resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.16(c)). Upon the appointment of a successor L/C Issuer and/or Swingline Lender, (A) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swingline Lender, as the case may be, and (B) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the applicable retiring L/C Issuer to effectively assume the obligations of the applicable retiring L/C Issuer with respect to such Letters of Credit. If TD Bank resigns as Swingline

Lender, it shall retain all of the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.03(b). Upon the appointment of a successor Swingline Lender, (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Swingline Lender and (ii) the retiring Swingline Lender shall be discharged from all of its duties and obligations hereunder or under the other Loan documents.

10.07. Treatment of Certain Information; Confidentiality. Each of the Administrative Agent, the Lenders and the L/C Issuers agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed to its Affiliates, its auditors and to its Related Parties (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), to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, to any other party hereto, in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, subject to an agreement containing provisions substantially the same as those of this Section, to any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or any Eligible Assignee invited to be a Lender pursuant to Section 2.14(c) or any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to any of the Borrowers and their obligations, this Agreement or payments hereunder, on a confidential basis to any rating agency in connection with rating the Company or its Subsidiaries or the credit facilities provided hereunder or the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, with the consent of the Borrower Representative or to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any L/C Issuer, or any of their respective Affiliates on a nonconfidential basis from a source other than the Company. For purposes of this Section, “Information” means all information received from the Company or any Subsidiary relating to the Company or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any L/C Issuer on a nonconfidential basis prior to disclosure by the Company or any Subsidiary, provided that, in the case of information received from the Company or any Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent and the Lenders acknowledges that (a) the Information may include material non-public information concerning the Company or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

Further, the foregoing notwithstanding, the Loan Parties agree that the Administrative Agent, any Lender or any Affiliate of the Administrative Agent or any Lender may (i) disclose a general description of transactions arising under the Loan Documents for advertising (including any "tombstone" or comparable advertising), marketing or other similar purposes and (ii) use any Loan Party's name, logo or other indicia germane to such party in connection with such advertising, marketing or other similar purposes. The obligations of the Administrative Agent and Lenders under this Section 10.07 shall supersede and replace the obligations of the Administrative Agent and Lenders under any confidentiality agreement in respect to the financing evidenced hereby executed and delivered by the Administrative Agent or any Lender prior to the date hereof. In addition to the foregoing, the Administrative Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar service providers to the lending industry, and service providers to the Administrative Agent and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents.

10.08. Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, each L/C Issuer and each of their respective Affiliate Counterparties and other Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, such L/C Issuer or any such Affiliate Counterparty or other Affiliate to or for the credit or the account of any Borrower or any other Loan Party against any and all of the obligations of such Borrower or such Loan Party now or hereafter existing under this Agreement, any other Loan Document or Swap Contract to such Lender, any Affiliate Counterparty or other of its Affiliates, irrespective of whether or not such Lender, such L/C Issuer Affiliate Counterparty or other Affiliate shall have made any demand under this Agreement, any other Loan Document or Swap Contract and although such obligations of such Borrower or such other Loan Party may be contingent or unmatured or are owed to a branch, office or Affiliate Counterparty or other Affiliate of such Lender or such L/C Issuer different from the branch, office or Affiliate Counterparty or other Affiliate holding such deposit or obligated on such indebtedness; provided, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuers and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each L/C Issuer and their respective Affiliate Counterparties and other Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that each such Lender, each such L/C Issuer or their respective Affiliate Counterparty or its other Affiliates may have. Each Lender and each L/C Issuer agrees to notify the Borrower Representative and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.09. Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower Representative. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, characterize any payment that is not principal as an expense, fee, or premium rather than interest, exclude voluntary prepayments and the effects thereof, and amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder. In addition, the differential between the amount of interest which would have otherwise been payable under the Loan Documents assuming no applicable Maximum Rate and the amount actually paid on a current basis after giving effect to the Maximum Rate shall be carried forward and shall be payable on any subsequent date of calculation so as to result in a recovery of interest previously unrealized (because of the limitation imposed by such Maximum Rate) at a rate of interest, and as part of the interest payable, that, after giving effect to the recovery of such differential and all other interest paid and accrued under this Agreement to the date of calculation, does not exceed the then applicable Maximum Rate.

10.10. Counterparts; Integration; Effectiveness. This Agreement and each of the other Loan Documents may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent or any L/C Issuer, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

10.11. Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Loan or any L/C Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

10.12. Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent any L/C Issuer or the Swingline Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

10.13. Replacement of Lenders. If the Borrowers are entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrowers may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrowers jointly and severally shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 10.06(b);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrowers to require such assignment and delegation cease to apply.

10.14. Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE COMPANY AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION 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 IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION (INCLUDING, WITHOUT LIMITATION, THE RIGHT OF ADMINISTRATIVE AGENT TO BRING ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY, IN THE COURTS OF ANY JURISDICTION WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND).

(c) WAIVER OF VENUE. EACH BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

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

10.16. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Company and each other Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers, and the Lenders are arm's-length commercial transactions between the Company, each other Loan Party and their respective Affiliates, on the one hand, and the Administrative Agent, the Arrangers, and the Lenders, on the other hand, each of the Company and the other Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and the Company and each other Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; the Administrative Agent, the Arrangers and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Company, any other Loan Party or any of their respective Affiliates, or any other Person and neither the Administrative

Agent, the Arrangers nor any Lender has any obligation to the Company, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, the other Loan Parties and their respective Affiliates, and neither the Administrative Agent, the Arrangers, nor any Lender has any obligation to disclose any of such interests to the Company, any other Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, each of the Company and each other Loan Party hereby waives and releases any claims that it may have against the Administrative Agent, the Arrangers or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

10.17. Electronic Execution of Assignments and Certain Other Documents. The words “execute,” “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

10.18. USA PATRIOT Act. Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrowers that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”), it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of each Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify such Borrower in accordance with the Act. Each Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Act.

10.19. Joint and Several Obligations.

(a) Each of the Borrowers expressly represents and acknowledges that it is part of a common enterprise with the other Borrowers and that any financial accommodations by the Administrative Agent and the other Lenders to any other Borrower hereunder, under the other Loan Documents and the Bank Product Agreements are and will be of direct and indirect interest, benefit and advantage to the Borrowers. Each Borrower hereby agrees that such Borrower is jointly and severally liable for, and hereby absolutely and unconditionally guarantees to the Administrative Agent and Lenders and their respective

successors and assigns, the full and prompt payment (whether at stated maturity, by acceleration or otherwise) and performance of, all Obligations owed or hereafter owing to the Administrative Agent and Lenders by each other Borrower, including, without limitation, the Loans. Each Borrower agrees that its guaranty obligation hereunder is a continuing guaranty of payment and performance and not of collection, that its obligations under this Section 10.19 shall not be discharged until payment and performance, in full, of the Obligations has occurred, and that its obligations under this Section 10.19 shall be absolute, unconditional and irrevocable, irrespective of, and unaffected by, the genuineness, validity, regularity, enforceability or any future amendment of, or change in, this Agreement, any other Loan Document, any Bank Product Agreement or any other agreement, document or instrument to which any Borrower is or may become a party; the absence of any action to enforce this Agreement (including this Section 10.19), any other Loan Document, any Bank Product Agreement or the waiver or consent by the Administrative Agent and Lenders with respect to any of the provisions thereof; the insolvency of any Borrower or Subsidiary; and any other action or circumstances that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor. Each Borrower shall be regarded, and shall be in the same position, as principal debtor with respect to the Obligations guaranteed hereunder.

(b) The Borrowers acknowledge that any Loan Notice or other notice or request given by the Borrower Representative to the Administrative Agent shall bind the Borrowers, and that any notice given by the Administrative Agent or any other Lender to the Borrower Representative shall be effective with respect to the Borrowers. Each of the Borrowers acknowledges and agrees that the Borrowers shall be liable, on a joint and several basis, for all of the Loans and other Obligations, regardless of which Borrower actually may have received the proceeds of any of the Loans or other extensions of credit or the amount of such Loans received or the manner in which the Administrative Agent or any other Lender accounts among the Borrowers for such Loans or other extensions of credit on its books and records, and further acknowledges and agrees that Loans and other extensions of credit to the Borrowers inure to the mutual benefit of all of the Borrowers and that the Administrative Agent and the other Lenders are relying on the joint and several liability of the Borrowers in extending the Loans and other financial accommodations hereunder.

10.20. Subordination. Each Loan Party (a "Subordinating Loan Party") hereby subordinates the payment of all obligations and indebtedness of any other Loan Party owing to it, whether now existing or hereafter arising, including but not limited to any obligation of any such other Loan Party to the Subordinating Loan Party as subrogee of the Lender Parties or resulting from such Subordinating Loan Party's performance under the Guaranty, to the indefeasible payment in full in cash of all Obligations. If the Administrative Agent so requests, any such obligation or indebtedness of any such other Loan Party to the Subordinating Loan Party shall be enforced and performance received by the Subordinating Loan Party as trustee for the Lenders and the proceeds thereof shall be paid over to the Administrative Agent on account of the Obligations, but without reducing or affecting in any manner the liability of the Subordinating Loan Party under this Agreement. Without limitation of the foregoing, so long as no Default has occurred and is continuing, the Loan Parties may make and receive payments with respect to Intercompany Debt;

provided, that in the event that any Loan Party receives any payment of any Intercompany Debt at a time when such payment is prohibited by this Section, such payment shall be held by such Loan Party, in trust for the benefit of, and shall be paid forthwith over and delivered, upon written request, to the Administrative Agent.

10.21. Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Solely to the extent any Lender or L/C Issuer that is an EEA Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender or L/C Issuer that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender or L/C Issuer that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

10.22. Acknowledgment Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, "QFC Credit Support", and each such QFC, a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd- Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 9.26, the following terms have the following meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

10.23. No Novation. Effective as of the Restatement Effective Date, this Agreement shall amend, restate and supersede the Existing Credit Agreement in its entirety, except as provided in this Section 10.23. On the date hereof, the rights and obligations of the parties evidenced by the Existing Credit Agreement shall be evidenced by this Agreement and the other Loan Documents shall continue under, but as amended and restated by this Agreement and the other Loan Documents, and shall not in any event be terminated, extinguished or annulled but shall hereafter be governed by this Agreement and the other Loan Documents. This Agreement represents a modification, and not a novation, of the respective credit facilities under the Existing Credit

Agreement and nothing contained herein shall be construed as a novation of the "Obligations" outstanding under, and as defined respectively in, the Existing Credit Agreement, all of which shall remain in full force and effect, except as modified hereby. The Loan Parties acknowledge, represent and warrant that they have no claims, defenses or offsets with respect to the Existing Credit Agreement or any of the "Loan Documents" (as defined in the Existing Credit Agreement) related thereto and that immediately prior to the effectiveness of this Agreement, the Existing Credit Agreement and such other loan documents are valid, binding and enforceable in accordance with the terms thereof. Upon the effectiveness of this Agreement, each reference in the Loan Documents to "the Credit Agreement" shall mean this Agreement. In connection with this Agreement, the existing Loans of certain of the Existing Lenders that were funded under the Existing Credit Agreement (the "Existing Loans") will be repaid in full with the proceeds of the Revolving Loans and upon receipt by such Existing Lender of all amounts owed to such Exiting Lender under the Existing Credit Agreement as of the Restatement Effective Date, such Existing Lender shall cease to be a "Lender" under the Existing Credit Agreement and shall have no further commitment to advance funds or extend credit or participate in any Letters of Credit or other credit that has been extended under the Existing Credit Agreement or this Agreement. Notwithstanding anything to the contrary in Section 2.12(f) of the Existing Credit Agreement, the Lenders hereby agree to the non-ratable repayment of certain of the Existing Lenders' Existing Loans and agree that Section 2.12(f) shall not apply to such repayment. Notwithstanding anything to the contrary in Section 10.01 and without limited the effect of the other provisions of this Agreement, each Lender agrees and affirms the amendments and modifications set forth herein.

ARTICLE XI

CONTINUING GUARANTY

11.01. Guaranty. Each Guarantor hereby absolutely and unconditionally, jointly and severally guarantees, as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all Obligations (for each Guarantor, subject to the proviso in this sentence, its "Guaranteed Obligations"); provided that the Guaranteed Obligations of a Guarantor shall exclude any Excluded Swap Obligations with respect to such Guarantor and the liability of each Guarantor individually with respect to this Guaranty shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of any applicable state law. The Administrative Agent's books and records showing the amount of the Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon each Guarantor, and conclusive for the purpose of establishing the amount of the Obligations. This Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations or any instrument or agreement evidencing any Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Obligations which might otherwise constitute a defense to the obligations of the Guarantors, or any of them, under this Guaranty, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

11.02. Rights of Lenders and Affiliate Counterparties. Each Guarantor consents and agrees that the Lender Parties, Affiliate Counterparties and other Affiliates of any Lender holding any Swap Obligations may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Obligations or any part thereof; take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Guaranty or any Obligations; apply such security and direct the order or manner of sale thereof as the Administrative Agent, the L/C Issuers and the Lenders in their sole discretion may determine, subject to the provisions of Section 8.03; and release or substitute one or more of any endorsers or other guarantors of any of the Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of such Guarantor under this Guaranty or which, but for this provision, might operate as a discharge of such Guarantor.

11.03. Certain Waivers. Each Guarantor waives any defense arising by reason of any disability or other defense of the Borrowers or any other guarantor, or the cessation from any cause whatsoever (including any act or omission of any Lender Party) of the liability of the Borrowers or any other Loan Party; any defense based on any claim that such Guarantor’s obligations exceed or are more burdensome than those of the Borrowers or any other Loan Party; the benefit of any statute of limitations affecting any Guarantor’s liability hereunder; any right to proceed against the Borrowers or any other Loan Party, proceed against or exhaust any security for the Obligations, or pursue any other remedy in the power of any Lender Party or Affiliate Counterparty or other Affiliates of any Lender holding any Swap Obligations whatsoever; any benefit of and any right to participate in any security now or hereafter held by any Lender Party, Affiliate Counterparty or other Affiliates of any Lender holding any Swap Obligations; and to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable Law limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Obligations.

11.04. Obligations Independent. The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Obligations and the obligations of any other guarantor, and a separate action may be brought against each Guarantor to enforce this Guaranty whether or not the Borrowers or any other person or entity is joined as a party.

11.05. Subrogation. No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guaranty until all of the Obligations and any amounts payable under this Guaranty have been indefeasibly paid and performed in full and the Commitments are terminated. If any amounts are paid to a Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Lender Parties, Affiliate Counterparties and other Affiliates of any Lender holding any Swap Obligations and shall forthwith be paid to the Lender Parties and Affiliate Counterparties to reduce the amount of the Obligations, whether matured or unmatured, in the order set forth in Section 8.03.

11.06. Termination; Reinstatement. This Guaranty is a continuing and irrevocable guaranty of all Obligations now or hereafter existing and shall remain in full force and effect until indefeasible payment and satisfaction in full of all Obligations. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of any Borrower or a Guarantor is made, or any of the Lender Parties or Affiliate Counterparties exercises its right of setoff, in respect of the Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by any of the Lender Parties or Affiliate Counterparties in their discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Lender Parties or Affiliate Counterparties are in possession of or have released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under this paragraph shall survive termination of this Guaranty.

11.07. Stay of Acceleration. If acceleration of the time for payment of any of the Obligations is stayed, in connection with any case commenced by or against a Guarantor or a Borrower under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by each Guarantor, jointly and severally, immediately upon demand by the Lender Parties or any Affiliate Counterparty.

11.08. Condition of Borrowers. Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Borrowers and any other guarantor such information concerning the financial condition, business and operations of the Borrowers and any such other guarantor as such Guarantor requires, and that none of the Lender Parties or Affiliate Counterparties has any duty, and such Guarantor is not relying on the Lender Parties or Affiliate Counterparties at any time, to disclose to it any information relating to the business, operations or financial condition of the Borrowers or any other guarantor (each Guarantor waiving any duty on the part of the Lender Parties and Affiliate Counterparties to disclose such information and any defense relating to the failure to provide the same).

11.09. Appointment of Borrower Representative. Each of the Guarantors hereby appoints the Borrower Representative to act as its agent for all purposes of this Agreement and the other Loan Documents and agrees that the Borrower Representative may execute such documents on behalf of such Guarantor as the Borrower Representative deems appropriate in its sole discretion and each Guarantor shall be obligated by all of the terms of any such document executed on its behalf, any notice or communication delivered by the Administrative Agent, any Lender or any Affiliate Counterparty to the Borrower Representative shall be deemed delivered to each Guarantor and the Administrative Agent, the Lenders or any Affiliate Counterparty may accept, and be permitted to rely on, any document, instrument or agreement executed by the Borrower Representative on behalf of each Guarantor.

11.10. Right of Contribution. The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable Law.

11.11. Keepwell. Each Loan Party that is a Qualified ECP Guarantor at the time the Guaranty, in each case, by any Specified Loan Party becomes effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Article XI voidable under applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations and undertakings of each Qualified ECP Guarantor under this Section shall remain in full force and effect until the Obligations have been indefeasibly paid and performed in full. Each Loan Party intends this Section to constitute, and this Section shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

11.12. Eligible Contract Participant Status. Each Guarantor, in its own capacity and in its capacity as guarantor for and on behalf of SWSC, represents and warrants to the Lenders, any Affiliate Counterparty and any other Affiliates of any Lender holding any Swap Obligations that, on and as of the date hereof and on each date on which a "Swap Transaction Event" (as defined in the bilateral agreement between any Lender, Affiliate Counterparty or other such Affiliate and SWSC) occurs between any Lender, Affiliate Counterparty or other such Affiliate and SWSC, it is an "eligible contract participant" within the meaning of Section 1a(18) of the Commodity Exchange Act as amended from time to time, and applicable regulations thereunder.

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

BORROWERS

SMITH & WESSON BRANDS, INC. (F/K/A AMERICAN OUTDOOR BRANDS CORPORATION)

By: */s/ Deana L. McPherson*
Name: Deana L. McPherson
Title: Chief Financial Officer

SMITH & WESSON SALES COMPANY (F/K/A AMERICAN OUTDOOR BRANDS SALES COMPANY)

By: */s/ Deana L. McPherson*
Name: Deana L. McPherson
Title: Chief Financial Officer

SMITH & WESSON INC. (F/K/A SMITH & WESSON FIREARM INC.)

By: */s/ Deana L. McPherson*
Name: Deana L. McPherson
Title: Chief Financial Officer

(Signature Page to Amended and Restated Credit Agreement)

GUARANTORS

SWSS LLC

By: */s/ Deana L. McPherson*
Name: Deana L. McPherson
Title: Chief Financial Officer

BEAR LAKE HOLDINGS, LLC

By: */s/ Deana L. McPherson*
Name: Deana L. McPherson
Title: Chief Financial Officer

SWPC PLASTICS, LLC (F/K/A DEEP RIVER PLASTICS, LLC)

By: */s/ Deana L. McPherson*
Name: Deana L. McPherson
Title: Chief Financial Officer

SMITH & WESSON DISTRIBUTING, INC.

By: */s/ Deana L. McPherson*
Name: Deana L. McPherson
Title: Chief Financial Officer

THOMPSON/CENTER ARMS COMPANY, LLC

By: */s/ Deana L. McPherson*
Name: Deana L. McPherson
Title: Chief Financial Officer

TD BANK, N.A.,
as Administrative Agent

By: */s/ Maria P. Goncalves*
Name: Maria P. Goncalves
Title: Regional Vice President

(Signature Page to Amended and Restated Credit Agreement)

TD BANK, N.A.,
as a Lender and Swingline Lender

By: */s/ Maria P. Goncalves*
Name: Maria P. Goncalves
Title: Regional Vice President

(Signature Page to Amended and Restated Credit Agreement)

PEOPLE'S UNITED BANK, NATIONAL ASSOCIATION

By: */s/ Edward S. Borden*
Name: Edward S. Borden
Title: SVP

(Signature Page to Amended and Restated Credit Agreement)

REGIONS BANK

By: */s/ Bruce Rhodes*
Name: Bruce Rhodes
Title: Managing Director

(Signature Page to Amended and Restated Credit Agreement)

Exhibit 99.1

Contact:
investorrelations@smith-wesson.com
(413) 747-3448

Smith & Wesson Brands, Inc. Completes Spin-off of American Outdoor Brands, Inc.

SPRINGFIELD, Mass., August 24, 2020 – Smith & Wesson Brands, Inc. (NASDAQ Global Select: SWBI), a U.S.-based leader in firearm manufacturing and design, today announced that it has completed the previously announced spin-off of its outdoor products and accessories business. Smith & Wesson Brands, Inc. will continue to trade on NASDAQ under the ticker symbol "SWBI." The spin-off company, American Outdoor Brands, Inc., will begin trading tomorrow on NASDAQ under the symbol "AOUT."

The spin-off distribution was completed at 12:01 a.m. Eastern Time on August 24, 2020 to stockholders of record of SWBI as of the close of business on the record date of August 10, 2020. Each SWBI common stockholder received one share of AOUT common stock for every four shares of SWBI common stock held as of the record date.

No action or payment was required by stockholders of SWBI to receive the new AOUT shares. Stockholders who held SWBI common stock as of the record date will receive a book-entry account statement reflecting their ownership of the new AOUT shares or have their brokerage account credited with the new AOUT shares.

The spin-off has been structured to qualify as a tax-free distribution to SWBI stockholders and SWBI for U.S. federal income tax purposes. SWBI stockholders are urged to consult with their tax advisors with respect to the federal, state, local, and foreign tax consequences of the spin-off.

About Smith & Wesson Brands, Inc.

Smith & Wesson Brands, Inc. (NASDAQ Global Select: SWBI) is a U.S.-based leader in firearm manufacturing and design, delivering a broad portfolio of quality handgun, long gun, and suppressor products to the global consumer and professional markets under the iconic Smith & Wesson, Thompson/Center Arms, and Gemtech brands. The company also provides manufacturing services including forging, machining, and precision plastic injection molding services. For more information call (844) 363-5386 or visit smith-wesson.com.

Safe Harbor Statement

Certain statements contained in this press release may be deemed to be forward-looking statements under federal securities laws, and we intend that such forward-looking statements be subject to the safe-harbor created thereby. Such statements include statements regarding stockholders' receipt of a book-entry account statement reflecting their ownership of the new AOUT shares or having their brokerage account credited with the new AOUT shares; and the tax-free nature of the distribution. We caution that these statements are qualified by important risks, uncertainties, and other factors that could cause actual results to differ materially from those reflected by such forward-looking statements. Such factors include, among others, economic, social, political, legislative, and regulatory factors; the potential for increased regulation of firearms and firearm-related products; actions of social activists that could have an adverse effect on our business; the impact of lawsuits; the demand for our products; the state of the U.S. economy in general and the firearm industry in particular; general economic conditions and consumer spending patterns; our competitive environment; the supply, availability, and costs of raw materials and components; the impact of protectionist tariffs and trade wars; speculation surrounding fears of terrorism and crime; our anticipated growth and growth opportunities; our ability to increase demand for our products in various markets, including consumer, law enforcement, and military channels, domestically and internationally; our penetration rates in new and existing markets; our strategies; our ability to maintain and enhance brand recognition and reputation; our ability to introduce new products; the success of new products; our ability to expand our markets; our ability to integrate acquired businesses in a successful manner; the potential for cancellation of orders from our backlog; and other risks detailed from time to time in our reports filed with the SEC, including our Annual Report on Form 10-K for the fiscal year ended April 30, 2020.

Exhibit 99.2

Contact:
investorrelations@smith-wesson.com
(413) 747-3448

Smith & Wesson Brands, Inc. Names Deana L. McPherson as CFO

Previously Announced Transition Follows Retirement of Jeffrey D. Buchanan, Completion of Spin-Off

SPRINGFIELD, Mass., August 24, 2020 – Smith & Wesson Brands, Inc. (NASDAQ Global Select: SWBI), a U.S.-based leader in firearm manufacturing and design, today named Deana L. McPherson as Executive Vice President, Chief Financial Officer, Treasurer, and Assistant Secretary, in a previously announced transition, which follows the retirement of Jeffrey D. Buchanan and the completion of the spin-off of the company's outdoor products and accessories business.

Mark Smith, President and CEO, said, "Since joining Smith & Wesson in 2007, Deana has made significant contributions to our company, first in her role as Corporate Controller, and later in key leadership roles that expanded the scope and complexity of her responsibilities. Her experience, strong leadership skills, and extensive knowledge of Smith & Wesson's financial operations, make her a tremendous fit for the role of Chief Financial Officer, and her long history with our company will provide a seamless transition. The Board of Directors and I are proud to name Deana as our new CFO."

McPherson joined Smith & Wesson in June 2007 as Corporate Controller, was later promoted to Vice President of Finance and Corporate Controller, and became Chief Accounting Officer in 2017. Her extensive finance and treasury experience with the company includes responsibility for financial reporting and oversight of the company's audit, tax, and banking matters. McPherson has played a key role in Smith & Wesson's longstanding relationship with its lenders, and her work has been instrumental in managing the company's syndicated bank credit facility.

McPherson is a Certified Public Accountant, a Chartered Global Management Accountant, and is a member of the American Institute of Certified Public Accountants and the Massachusetts Institute of Public Accountants. She earned her BBA in Accounting at the University of Massachusetts, Amherst. With over 25 years as a financial professional, she began her career as a Senior Auditor with Deloitte & Touche LLP.

With the completion of the spin-off of Smith & Wesson's outdoor products and accessories business, Jeffrey D. Buchanan retires after 15 years of service to the company, including six years as a member of the Board of Directors prior to becoming CFO. Smith, said, "I want to thank Jeff for his many contributions over the course of his career at Smith & Wesson. Jeff's leadership has long helped guide and shape our organization, and we especially thank him for his ongoing leadership throughout the recent spin-off process, which has been instrumental in placing each company in a position to unlock greater stockholder value. All of us at Smith & Wesson wish Jeff the very best in his well-deserved retirement."

About Smith & Wesson Brands, Inc.

Smith & Wesson Brands, Inc. (NASDAQ Global Select: SWBI) is a U.S.-based leader in firearm manufacturing and design, delivering a broad portfolio of quality handgun, long gun, and suppressor products to the global consumer and professional markets under the iconic Smith & Wesson®, M&P®, Thompson/Center Arms™, and Gemtech® brands. The company also provides manufacturing services including forging, machining, and precision plastic injection molding services. For more information call (844) 363-5386 or visit www.smith-wesson.com.

Safe Harbor Statement

Certain statements contained in this press release may be deemed to be forward-looking statements under federal securities laws, and we intend that such forward-looking statements be subject to the safe-harbor created thereby. Such statements include our belief that, following the spin-off, each company is in a position to unlock greater stockholder value. We caution that these statements are qualified by important risks, uncertainties, and other factors that could cause actual results to differ materially from those reflected by such forward-looking statements. Such factors include, among others, economic, social, political, legislative, and regulatory factors; the potential for increased regulation of firearms and firearm-related products; actions of social activists that could have an adverse effect on our business; the impact of lawsuits; the demand for our products; the state of the U.S. economy in general and the firearm industry in particular; general economic conditions and consumer spending patterns; our competitive environment; the supply, availability, and costs of raw materials and components; the impact of protectionist tariffs and trade wars; speculation surrounding fears of terrorism and crime; our anticipated growth and growth opportunities; our ability to increase demand for our products in various markets, including consumer, law enforcement, and military channels, domestically and internationally; our penetration rates in new and existing markets; our strategies; our ability to maintain and enhance brand recognition and reputation; our ability to introduce new products; the success of new products; our ability to expand our markets; our ability to integrate acquired businesses in a successful manner; the potential for cancellation of orders from our backlog; and other risks detailed from time to time in our reports filed with the SEC, including our Annual Report on Form 10-K for the fiscal year ended April 30, 2020.

Exhibit 99.3

Smith & Wesson Brands, Inc.
Unaudited Pro Forma Condensed Consolidated Financial Statements

On August 24, 2020, or the Distribution Date, at 12:01 a.m. Eastern Time, the previously announced separation, or the Separation, of our wholly owned subsidiary, American Outdoor Brands, Inc., a Delaware corporation, or AOUT, from our company was completed. The Separation was achieved through the transfer of all the assets and legal entities, subject to any related liabilities, associated with our outdoor products and accessories business to AOUT, which we refer to as the Transfer, and the distribution of 100% of the AOUT outstanding capital stock to holders of our common stock as of the close of business on August 10, 2020, or the Record Date, which we refer to as the Distribution. In connection with the Distribution, our stockholders received one share of AOUT common stock for every four shares of our common stock held as of the close of business on the Record Date. Following the Distribution, AOUT became an independent, publicly traded company, and we retain no ownership interest in AOUT. Our common stock will continue to trade on the Nasdaq Global Select Market under the ticker symbol “SWBI.” AOUT common stock will trade on the Nasdaq Global Select Market under the ticker symbol “AOUT.” We have received an opinion from counsel to the effect that, among other things, the transfer of the assets and legal entities, subject to any related liabilities, associated with the outdoor products and accessories business, to AOUT, will qualify as a transaction that is tax-free for U.S. federal income tax purposes, except to the extent of any cash received in lieu of fractional shares.

The following unaudited pro forma condensed consolidated statements of income for the years ended April 30, 2020, 2019, and 2018 reflect the results of operations as if the Distribution had occurred on May 1, 2017. The unaudited pro forma condensed consolidated balance sheet as of April 30, 2020 assumes that the Distribution occurred as of April 30, 2020. The unaudited pro forma condensed consolidated financial information should be read together with our historical consolidated financial statements and accompanying notes and Management’s Discussion and Analysis of Financial Condition and Results of Operations included in our annual report on Form 10-K for the fiscal year ended April 30, 2020.

The unaudited pro forma condensed consolidated financial statements are presented based on information currently available, are intended for informational purposes, are not intended to represent what our consolidated statements of income and balance sheet actually would have been had the separation occurred on the dates indicated above, and do not reflect all actions that may be undertaken by us after the Distribution and disposition of AOUT. In addition, the unaudited pro forma condensed consolidated financial statements are not necessarily indicative of our results of operations and financial position for any future period.

The “Historical SWBI (as reported)” column in the unaudited pro forma condensed consolidated financial statements reflects our historical condensed consolidated financial statements for the periods presented and does not reflect any adjustments related to the Separation and related transactions.

The information in the “Discontinued Operations” column in the unaudited pro forma condensed consolidated statements of income was derived from our consolidated financial statements and related accounting records for the years ended April 30, 2020, 2019, and 2018 and reflects the results of the outdoor products and accessories business, adjusted to include costs directly attributed to that business and to exclude corporate overhead costs that were previously allocated to the outdoor products and accessories businesses for each period. The information in the “Discontinued Operations” column in the unaudited pro forma condensed consolidated balance sheet was derived from our consolidated financial statements and the related accounting records as of April 30, 2020, adjusted to include certain assets and liabilities that were transferred to AOUT pursuant to the Separation and Distribution Agreement. Beginning in the second quarter of fiscal 2021, the outdoor products and accessories business historical financial results for periods prior to the Distribution Date will be reflected in our consolidated financial statements as a discontinued operation.

The information in the “Pro Forma Adjustments” column in the unaudited pro forma condensed consolidated financial statements was based on available information and assumptions that we believe are reasonable, that reflect the impacts of events directly attributable to the Separation and related transactions that are factually supportable, and for purposes of the condensed consolidated statements of income, are expected to have a continuing impact on our company. The pro forma adjustments may differ from those that have been or will be calculated to report the outdoor products and accessories business as a discontinued operation in our historical and future filings, and do not reflect future events that may occur after the Separation, including potential selling, general, and administrative dis-synergies and the expected charges or the expected realization of any cost savings or other synergies.

SMITH & WESSON BRANDS, INC. AND SUBSIDIARIES
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	For the Year Ended April 30, 2018			
	Historical SWBI (as reported)	Discontinued Operations (A)	Pro Forma Adjustments	Pro Forma SWBI
Net sales	$ 606,850	$ (154,058)	$ —	$452,792
Cost of sales	411,098	(78,209)	—	332,889
Gross profit	195,752	(75,849)	—	119,903
Operating expenses:				
Research and development	11,361	(3,801)	—	7,560
Selling, marketing, and distribution	55,805	(25,466)	—	30,339
General and administrative	101,538	(41,904)	—	59,634
Total operating expenses	168,704	(71,171)	—	97,533
Operating income	27,048	(4,678)	—	22,370
Other (expense)/income, net:				
Other income/(expense), net	1,737	(71)	—	1,666
Interest expense, net	(11,168)	—	—	(11,168)
Total other (expense)/income, net	(9,431)	(71)	—	(9,502)
Income/(loss) from operations before income taxes	17,617	(4,749)	—	12,868
Income tax (benefit)/expense	(2,511)	(1,649)	—	(4,160)
Net income/(benefit)	$ 20,128	$ (3,100)	—	$ 17,028
Net income per share:				
Basic - net income	$ 0.37			$ 0.31
Diluted - net income	$ 0.37			$ 0.31
Weighted average number of common shares outstanding:				
Basic	54,061			54,061
Diluted	54,834			54,834

SMITH & WESSON BRANDS, INC. AND SUBSIDIARIES
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	For the Year Ended April 30, 2019			
	Historical SWBI (as reported)	Discontinued Operations (A)	Pro Forma Adjustments	Pro Forma SWBI
Net sales	$ 638,277	$ (156,942)	$ —	$481,335
Cost of sales	412,046	(76,994)	—	335,052
Gross profit	226,231	(79,948)	—	146,283
Operating expenses:				
Research and development	12,866	(4,858)	—	8,008
Selling, marketing, and distribution	57,263	(29,570)	—	27,693
General and administrative	107,650	(40,586)	—	67,064
Goodwill impairment	10,396	(10,396)	—	—
Total operating expenses	188,175	(85,410)	—	102,765
Operating income/(loss)	38,056	5,462	—	43,518
Other (expense)/income, net:				
Other income/(expense), net	33	6	1,020(B)	1,059
Interest expense, net	(9,351)	—	—	(9,351)
Total other (expense)/income, net	(9,318)	6	1,020	(8,292)
Income/(loss) from operations before income taxes	28,738	5,468	1,020	35,226
Income tax expense	10,328	(1,044)	266	9,550
Net income	$ 18,410	$ 6,512	$ 754	$ 25,676
Net income per share:				
Basic - net income	$ 0.34			$ 0.47
Diluted - net income	$ 0.33			$ 0.47
Weighted average number of common shares outstanding:				
Basic	54,483			54,483
Diluted	55,216			55,216

SMITH & WESSON BRANDS, INC. AND SUBSIDIARIES
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	For the Year Ended April 30, 2020			
	Historical SWBI (as reported)	Discontinued Operations (A)	Pro Forma Adjustments	Pro Forma SWBI
Net sales	$ 678,390	$ (148,776)	$ —	$529,614
Cost of sales	443,685	(79,761)	—	363,924
Gross profit	234,705	(69,015)	—	165,690
Operating expenses:				
Research and development	12,362	(4,998)	—	7,364
Selling, marketing, and distribution	74,515	(32,538)	—	41,977
General and administrative	97,985	(31,952)	—	66,033
Goodwill impairment	98,662	(98,662)	—	—
Total operating expenses	283,524	(168,150)	—	115,374
Operating (loss)/income	(48,819)	99,135	—	50,316
Other (expense)/income, net:				
Other income/(expense), net	83	21	2,428(B)	2,532
Interest expense, net	(11,213)	—	—	(11,213)
Total other (expense)/income, net	(11,130)	21	2,428	(8,681)
(Loss)/income from operations before income taxes	(59,949)	99,156	2,428	41,635
Income tax expense	1,281	10,241	611	12,133
Net (loss)/income per share:	$ (61,230)	$ 88,915	$ 1,817	$ 29,502
Net (loss)/income per share:				
Basic - net (loss)/income	$ (1.11)			$ 0.54
Diluted - net (loss)/income	$ (1.11)			$ 0.53
Weighted average number of common shares outstanding:				
Basic	54,983			54,983
Diluted	54,983			55,665

SMITH & WESSON BRANDS, INC. AND SUBSIDIARIES
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
April 30, 2020
(Unaudited)

	Historical SWBI (as reported)	Discontinued Operations (A)	Pro Forma Adjustments	Pro Forma SWBI
ASSETS				
Current assets:				
Cash and cash equivalents	$ 125,398	$ (387)	$ (25,000)(C)	$ 100,011
Accounts receivable, net	93,433	(32,554)	—	60,879
Inventories	164,191	(60,450)	—	103,741
Other currents assets	10,433	(1,333)	—	9,100
Total current assets	393,455	(94,724)	(25,000)	273,731
Property, plant, and equipment, net	157,417	(9,677)	—	147,740
Intangibles, net	73,754	(68,715)	—	5,039
Goodwill	83,605	(64,582)	—	19,023
Other assets	20,730	(4,847)	554(D)	16,437
	$728,961	$(242,545)	$(24,446)	$461,970
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	$ 39,196	$ (7,720)	$ —	$ 31,476
Accrued expenses and deferred revenue	64,602	(6,924)	—	57,678
Other current liabilities	26,173	(2,728)	—	23,445
Total current liabilities	129,971	(17,372)	—	112,599
Notes and loans payable, net of current portion	159,171	—	—	159,171
Finance lease payable, net of current portion	39,873	—	—	39,873
Other non-current liabilities	12,828	(2,202)	554(D)	11,180
Total liabilities	341,843	(19,574)	554	322,823
Commitments and contingencies				
Stockholders' equity:				
Stockholders' equity:	387,118	(222,971)	(25,000)(E)	139,147
Total stockholders' equity	387,118	(222,971)	(25,000)	139,147
	$728,961	$(242,545)	$(24,446)	$461,970

Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements

(A) Reflects the discontinued operations, including associated assets, liabilities, and equity and results of operations. Certain corporate overhead expenses that were not specifically related to the outdoor products and accessories business were excluded, as they did not meet the discontinued operations criteria.

(B) Represents income generated from the sublease for occupying and utilizing approximately 59.0% of our distribution center in Boone, County Missouri, entered into with AOUT in connection with the Separation.

(C) Represents the cash distribution to AOUT in connection with the Separation.

(D) Represents pro forma adjustment for deferred income taxes after discontinued operations were removed.

(E) Reflects the impact to our total stockholder's equity from pro forma adjustments described in notes (C) above.