



Registration of a Charge

Company name: **NEW ERA CAP COMPANY LIMITED**

Company number: **04599312**



X7F698WB

Received for Electronic Filing: **24/09/2018**

Details of Charge

Date of creation: **10/09/2018**

Charge code: **0459 9312 0005**

Persons entitled: **KAYNE SENIOR CREDIT III LOANCO, LLC**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **SAMUEL WILSON**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 4599312

Charge code: 0459 9312 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th September 2018 and created by NEW ERA CAP COMPANY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th September 2018 .

Given at Companies House, Cardiff on 26th September 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

WE HEREBY CERTIFY THAT, SAVE FOR MATERIAL REDACTED PURSUANT TO 5859G OF THE COMPANIES ACT 2006, THIS COPY INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.

Bryan Cave Leighton Paine LLP 20.09.2018

BRYAN CAVE LEIGHTON PAISNER LLP, ADELATIDE HOUSE, LONDON BRIDGE, LONDON, EC4R 4HA

PLEDGE AND SECURITY AGREEMENT

This PLEDGE AND SECURITY AGREEMENT (this "Agreement"), dated as of September 10, 2018, is made by each of the Borrowers and Guarantors referred to below and the other parties that become a party hereto from time to time after the date hereof pursuant to Section 6.01(j) of the Credit Agreement (as hereinafter defined) (each a "Pledgor" and collectively, the "Pledgors"), in favor of Kayne Senior Credit III Loanco, LLC, in its capacity as administrative agent (in such capacity, the "Pledgee") on behalf of the Lenders referred to below and on behalf of the other holders of Secured Obligations (as defined below).

WITNESSETH:

WHEREAS, New Era Cap Co., Inc., a New York corporation ("New Era Borrower"), each other Person from time to time party thereto as a "Borrower" (together with New Era Borrower, each a "Borrower" and collectively, the "Borrowers"), each "Guarantor" from time to time party thereto, the financial institutions from time to time party thereto (each a "Lender" and collectively, the "Lenders"), and the Pledgee are parties to that certain Credit Agreement, dated as of the date hereof (such agreement, as amended, restated, or otherwise modified from time to time, being hereinafter referred to as the "Credit Agreement"), pursuant to which the Lenders have agreed to make certain loans and other financial accommodations (collectively, the "Loans") available to the Borrowers;

WHEREAS, it is a condition precedent to the making of any Loan that each Pledgor shall have executed and delivered to the Pledgee a pledge and security agreement providing for the pledge to the Pledgee, for the benefit of the Pledgee, the Lenders and other holders of Secured Obligations, and the grant to the Pledgee, for the benefit of the Pledgee, the Lenders and other holders of Secured Obligations, of a continuing, first-priority security interest in, and lien on, subject to the limitations set forth herein, the outstanding Capital Stock (as defined in the Credit Agreement) and other equity interests and indebtedness from time to time owned by such Pledgor of each Person now or hereafter existing and in which such Pledgor has any interest at any time;

WHEREAS, the Pledgors are mutually dependent on each other in the conduct of their respective business as an integrated operation, with the credit needed from time to time by each Pledgor often being provided through financing obtained by the other Pledgors and the ability to obtain such financing being dependent on the successful operations of all of the Pledgors as a whole; and

WHEREAS, each Pledgor has determined that the execution, delivery, and performance of this Agreement directly benefit, and are in the best interests of, such Pledgor.

NOW, THEREFORE, in consideration of the premises and the agreements herein, and in order to induce the Lenders to make and maintain the Loans pursuant to the Credit Agreement, each Pledgor hereby jointly and severally agrees with the Pledgee, for the benefit of the Pledgee, the Lenders and other holders of Secured Obligations, as follows:

Section 1. Definitions. Reference is hereby made to the Credit Agreement for a statement of the terms thereof. All terms used in this Agreement which are defined in the

Credit Agreement or in Article 8 or Article 9 of the Uniform Commercial Code (the "Code") in effect from time to time in the State of New York or, where applicable, the Personal Property Security Act (Ontario) or the personal property security legislation in a province or territory in Canada (each on "PPSA") and which are not otherwise defined herein shall have the same meanings herein as set forth therein; provided, that terms used herein which are defined in the Code as in effect in the State of New York or a PPSA on the date hereof shall continue to have the same meaning notwithstanding any replacement or amendment of such statute except as the Pledgee may otherwise determine. For purposes hereof, "equity interest" of or in any issuer shall include, without limitation, Capital Stock, together with any and all options, warrants, and other rights or instruments exercisable or exchangeable for, or convertible into, Capital Stock.

Section 2. Pledge and Grant of Security Interest. Except with respect to Excluded Property (as defined in the Credit Agreement), as collateral security for all of the Secured Obligations (as defined in Section 3 hereof), each Pledgor hereby pledges, assigns (other than in respect of ULC Interests), hypothecates, transfers (other than in respect of ULC Interests), delivers, and grants to the Pledgee, for the benefit of the Pledgee, the Lenders and other holders of the Secured Obligations, a continuing security interest in, and Lien on, such Pledgor's right, title, and interest in and to the following, whether now or hereafter existing and whether now owned or hereafter acquired by such Pledgor, and howsoever its interest therein may arise or appear (whether by ownership, security interest, Lien, claim, or otherwise) (collectively, the "Pledged Collateral"):

(a) **[Reserved]**;

(b) (i) the equity interests described in Schedule I hereto, issued by the Persons described in Schedule I (collectively, the "Existing Issuers"; the Existing Issuers, together with all other issuers from time to time of Pledged Interests (as hereinafter defined), are each hereinafter referred to, individually, as a "Pledged Issuer" and, collectively, as the "Pledged Issuers"), whether or not evidenced or represented by any certificate or instrument, and including, without limitation, to the extent attributable to, or otherwise related to, such pledged equity interests, all of such Pledgor's (A) interests in the profits and losses of each such Pledged Issuer, (B) rights and interests to receive distributions of each such Pledged Issuer's assets and properties, and (C) rights and interests, if any, to participate in the management of each such Pledged Issuer related to such equity interests (collectively, and including all certificates evidencing or representing the same, the "Pledged Interests"), (ii) all rights, privileges, authorities, and powers of such Pledgor as an owner or holder of Pledged Interests in each such Pledged Issuer, including, without limitation, all economic rights, all control rights, authority, and powers, and all status rights of such Pledgor as a member, shareholder, or other owner (as applicable) of each such Pledged Issuer, (iii) all of such Pledgor's options and other rights and interests, contractual or otherwise, in respect of the Pledged Interests, (iv) all of the certificates and/or instruments, if any, evidencing or representing any of the Pledged Interests from time to time, (v) all of the dividends, distributions, cash, instruments, investment property, and other property (including, but not limited to, any stock dividend and any distribution in connection with a stock split) from time to time received, receivable, or otherwise distributed in respect of, or in exchange for, any or all of the Pledged Interests, (vi) all other property hereafter delivered to, or in the possession or custody of, the Pledgee in substitution for, or in addition to, the Pledged Interests, and (vii) all other property of such Pledgor in connection with the Pledged

Interests, as described in Section 4 hereof, now or hereafter delivered to, or in the possession or custody of, Pledgor;

(c) all other investment property, financial assets, securities, Capital Stock, other equity interests, stock options, and commodity contracts, and all notes, and all other assets now or hereafter received or receivable with respect to any of the foregoing Pledged Collateral described in clause (b) above;

(d) all security entitlements of such Pledgor in any and all of the foregoing with respect to any of the foregoing Pledged Collateral described in clauses (b) and (c) above; and

(e) all proceeds (including proceeds of proceeds) of any and all of the foregoing with respect to any of the foregoing Pledged Collateral described in clauses (b), (c) and (d) above.

Section 3. Security for Secured Obligations. The security interests and Liens created hereby in the Pledged Collateral constitute continuing collateral security for all of the following obligations, whether now existing or hereafter incurred (collectively, the "Secured Obligations"):

(a) the prompt payment by each Pledgor, as and when due and payable (by scheduled maturity, required prepayment, acceleration, demand, or otherwise), of all amounts from time to time owing by it in respect of the Credit Agreement and the other Loan Documents and all renewals, extensions, restructurings, refinancings or increases related to such amounts, including, without limitation, (i) principal of, and interest on, the Loans (including, without limitation, all interest that accrues after the commencement of any Insolvency Proceeding of any Pledgor whether or not the payment of such interest is unenforceable or is not allowable due to the existence of such Insolvency Proceeding), (ii) in the case of any Pledgor that is a Guarantor, all amounts from time to time owing by such Pledgor in respect of its guaranty made pursuant to Article 9 of the Credit Agreement or under any other Guaranty to which it is a party, including all Guaranteed Obligations guaranteed by such Pledgor, and (iii) all fees, commissions, expense reimbursements, indemnifications, and all other amounts due or to become due under the Credit Agreement and any other Loan Document;

(b) all other "Obligations" (as defined in the Credit Agreement); and

(c) the due performance and observance by each Pledgor of all of its other obligations from time to time existing in respect of the Loan Documents.

Section 4. Delivery of the Pledged Collateral.

(a) All of the certificates and/or instruments constituting, evidencing, or representing the Pledged Collateral owned as of the Closing Date shall be delivered to the Pledgee on or prior to the execution and delivery of this Agreement. All Pledged Interests shall be accompanied by (i) duly executed instruments of transfer or assignment, executed in blank, substantially in the form of Annex II hereto, or otherwise in form and substance satisfactory to Pledgee, and (ii) solely with respect to a Pledged Issuer that is a corporation and not a ULC, a

duly acknowledged equity interest registration page, in blank, from each Pledged Issuer, substantially in the form of Annex IV hereto, or otherwise in form and substance satisfactory to Pledgee ("Registration Page"). All other certificates and/or instruments constituting, evidencing, or representing the Pledged Collateral from time to time and required to be pledged to the Pledgee pursuant to the terms of this Agreement (collectively, the "Additional Collateral") shall be delivered to the Pledgee, promptly, or otherwise within any applicable time period set forth in Section 6.01(j) of the Credit Agreement, upon receipt thereof by or on behalf of any of the Pledgors. All such certificates and/or instruments shall be held by or on behalf of the Pledgee pursuant hereto, and shall be delivered in suitable form for transfer by delivery (other than in relation to ULC Interests), or shall be accompanied by duly executed instruments of transfer or assignment, executed in blank, in accordance with the terms hereof, all in form and substance reasonably satisfactory to the Pledgee. Subject to any applicable provisions of Section 6.01(j) of the Credit Agreement, if any Pledged Collateral consists of uncertificated securities, unless the immediately following sentence is applicable thereto or the Pledged Collateral is ULC Interests, the applicable Pledgor, as the Pledgee may elect, shall cause the Pledgee (or Pledgee's custodian, nominee, or other designee) to become the registered holder thereof or, shall cause each issuer of such securities to agree that such issuer will comply with any instructions originated by the Pledgee with respect to such securities without further consent by such Pledgor, and shall cause each issuer to execute and deliver to the Pledgee the Pledge Acknowledgment and Control Agreement appended hereto in respect of all such securities. If any Pledged Collateral consists of security entitlements other than ULC Interests, the applicable Pledgor shall transfer all such security entitlements to the Pledgee (or to Pledgee's custodian, nominee, or other designee), or cause the applicable securities intermediary to agree that it will comply with entitlement orders by the Pledgee without further consent by such Pledgor.

(b) Upon the receipt by any Pledgor of any Additional Collateral, within ten (10) Business Days, or otherwise any applicable time period set forth in and subject to the provisions of Section 6.01(j) of the Credit Agreement, a Pledge Amendment, duly executed by such Pledgor, in substantially the form of Annex I hereto (a "Pledge Amendment"), shall be delivered to the Pledgee in respect of the Additional Collateral to be pledged pursuant to this Agreement and the Credit Agreement. The Pledge Amendment shall, from and after delivery thereof, constitute part of Schedule I hereto. Each Pledgor hereby authorizes the Pledgee to attach each Pledge Amendment to this Agreement and agrees that all certificates, or instruments listed on any Pledge Amendment delivered to the Pledgee shall for all purposes hereunder constitute Pledged Collateral, and such Pledgor shall be deemed, upon delivery thereof, to have made each of the representations and warranties set forth in Section 5 hereof with respect to all such Additional Collateral. In addition to the foregoing, each Pledgor shall, within ten (10) Business Days, or otherwise any applicable time period set forth in and subject to the provisions of Section 6.01(j) of the Credit Agreement, upon obtaining ownership of any additional equity interests which are not already Pledged Collateral, deliver to Pledgee, in accordance with the terms hereof, (i) all certificates and/or instruments evidencing or representing such additional equity interests and duly executed instruments of transfer to be assigned in blank, substantially in the form of Annex II hereto, or otherwise in form and substance satisfactory to the Pledgee, and (ii) if the issuer of such additional equity interests is not already a Pledged Issuer under this Agreement, Pledgor shall cause such issuer to duly execute and deliver to Pledgee the Pledge Acknowledgment and Control Agreement appended hereto and, if the Pledged Issuer is a

corporation, a duly acknowledged Registration Page in respect of all such additional equity interests.

(c) Without limiting the generality of the foregoing, if any Pledgor shall receive, by virtue of such Pledgor's being or having been an owner of any Pledged Collateral, any (i) stock certificate (including, without limitation, any certificate representing a stock dividend or distribution in connection with, among other things, any increase or reduction of capital, reclassification, merger, consolidation, sale of assets, combination of shares, stock split, spin-off, or split-off), or other instrument, (ii) option or right, whether as an addition to, substitution for, or in exchange for, any Pledged Collateral, or otherwise, (iii) dividends payable in cash (except such dividends permitted to be retained by such Pledgor pursuant to Section 7 hereof or otherwise as set forth in the Credit Agreement) or in securities or other property, or (iv) dividends or other distributions in connection with any partial or total liquidation or dissolution, or in connection with any reduction of capital, capital surplus, or paid-in surplus, such Pledgor shall receive such stock certificate, instrument, option, right, payment, or distribution in trust for the benefit of the Pledgee, shall segregate it from such Pledgor's other property, and shall (except such dividends permitted to be retained by such Pledgor pursuant to Section 7 hereof or otherwise as set forth in the Credit Agreement) deliver it forthwith to the Pledgee, in the exact form received, with any necessary endorsement (being in the case of any ULC Interests, executed in blank) and/or appropriate stock powers duly executed in blank, to be held by the Pledgee as Pledged Collateral hereunder.

Section 5. Representations and Warranties. As of the date hereof, and with respect to any Person who joins this Agreement following such date, as of the date such Person joins this Agreement, each Pledgor jointly and severally represents and warrants to the Pledgee, and covenants with the Pledgee, as follows:

(a) Such Pledgor (i) is a corporation, limited liability company, or limited partnership duly organized, validly existing, and in good standing (to the extent such status or its equivalent is applicable in the relevant jurisdiction) under the laws of the state or jurisdiction of its organization, and (ii) has all requisite power and authority to execute, deliver, and perform this Agreement.

(b) The execution, delivery, and performance by such Pledgor of this Agreement (i) have been duly authorized by all necessary action, and (ii) do not, and will not, contravene any Organization Document or related agreement, document, or instrument of such Pledgor or of any Pledged Issuer, or any contractual restriction binding on or affecting such Pledgor or any of its properties, except in the case of clause (ii) (other than with respect to contravention of Organization Documents) as could not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

(c) This Agreement constitutes the legal, valid, and binding obligation of such Pledgor enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or other similar laws or by equitable principles relating to enforceability.

(d) Such Pledgor is the sole record beneficial owner of, and has legal title to, all of the Pledged Collateral of such Pledgor, and such Pledged Collateral is, and will at all times be, free and clear of all pledges, Liens, security interests, and other encumbrances and restrictions of any nature whatsoever, except the Liens and security interests created by this Agreement and the other Loan Documents and any Permitted Liens, if any, and, in the case of ULC Interests, usual restrictions on transfer applicable to a private issuer.

(e) Except as permitted under the Credit Agreement, such Pledgor has not heretofore transferred, pledged, assigned, or otherwise encumbered any of its rights or interests in or to any of the Pledged Collateral as in effect on the date hereof.

(f) This Agreement creates a valid Lien and security interest in favor of the Pledgee in the Pledged Collateral as security for the Secured Obligations. The Pledgee's having possession of the certificates and/or instruments evidencing or representing the Pledged Interests, and all other certificates, instruments, and cash constituting Pledged Collateral from time to time, results in the perfection of such Lien and security interest. Such Lien and security interest are, or in the case of any Pledged Collateral in which such Pledgor obtains rights after the date hereof, will be, a perfected, continuing, first-priority Lien and security interest, subject only to any Permitted Liens, if any. All action necessary or desirable to perfect and protect such Lien and security interest has been duly taken as of the date hereof.

(g) With respect to any Pledged Interests that are uncertificated securities, the execution and delivery of this Agreement and the Pledge Acknowledgment and Control Agreement appended hereto shall, and shall be deemed to, perfect the Pledgee's Lien and security interest in such Pledged Interests and any proceeds thereof by Control.

Section 6. Covenants as to the Pledged Collateral. Subject to express terms of the Credit Agreement to the contrary, until the payment in full of the Secured Obligations and termination of the Commitments, unless the Pledgee shall otherwise consent in writing, each Pledgor shall:

(a) at the Pledgors' joint and several expense, defend the Pledgee's right, title, and Lien and security interest in and to the Pledged Collateral against the claims and demands of any Person;

(b) at the Pledgors' joint and several expense, at any time and from time to time, promptly execute and deliver all further instruments and documents and take all further action that may be necessary or desirable or that the Pledgee may reasonably request in order to (i) perfect and protect, or maintain the perfection of, the security interests and Liens created hereby, (ii) enable and empower the Pledgee to exercise and enforce its rights and remedies hereunder in respect of the Pledged Collateral, or (iii) otherwise effect the purposes of this Agreement;

(c) not sell, transfer, assign (by operation of law or otherwise), exchange, or otherwise dispose of any Pledged Collateral, or any interest therein, except as expressly permitted by Section 6.02(a) or 6.02(c) of the Credit Agreement;

(d) not create or suffer to exist any Lien upon, or with respect to, any of the Pledged Collateral, except for the Lien created hereby and under the other Loan Documents in favor of Pledgee and any Permitted Liens securing the Permitted ABL Debt, if any;

(e) not make or consent to any amendment or other modification or waiver with respect to any Pledged Collateral, or enter into any agreement or permit to exist any restriction with respect to any Pledged Collateral other than pursuant to the Loan Documents; or as otherwise permitted by the Loan Documents (including the Credit Agreement); and

(f) except as otherwise permitted under the Credit Agreement, not take, or fail to take, any action which would in any manner impair the value, perfection or enforceability of the Pledgee's security interest in, and Lien on, any Pledged Collateral or any of the Pledgee's rights hereunder.

Section 7. Voting Rights, Dividends, Distributions, Etc. in Respect of the Pledged Collateral.

(a) So long as no Event of Default shall be continuing, subject to the terms and provisions of this Agreement:

(i) each Pledgor may exercise any and all voting and other consensual rights pertaining to any Pledged Collateral for any purpose not inconsistent with the terms of this Agreement, the Credit Agreement, or the other Loan Documents and

(ii) each of the Pledgors may receive and retain any and all dividends, interest payments, or other distributions paid in respect of the Pledged Collateral to the extent permitted by the Credit Agreement and the other Loan Documents; provided, however, that, until actually paid, all rights to such dividends, interest payments, or other distributions shall remain subject to the Liens and security interests of the Pledgee created by this Agreement and the other Loan Documents; provided, further, however, that any and all dividends and interest paid or payable other than in cash in respect of, and instruments and other property received, receivable, or otherwise distributed in respect of, or in exchange for, any Pledged Collateral, shall constitute, and shall forthwith be delivered to the Pledgee to hold as, Pledged Collateral.

For greater certainty, nothing in this paragraph shall be read as providing any Pledgor rights in ULC Interests restricted by Section 18 hereof.

(b) Except in relation to ULC Interests, during the continuance of an Event of Default, without notice (except as expressly provided below):

(i) all rights of each Pledgor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise pursuant to Section 7(a)(i) hereof, and to receive the dividends, interest payments, and other distributions which it would otherwise be authorized to receive and retain pursuant to Section 7(a)(ii) hereof, shall, upon written notice from Pledgee automatically cease, and all such rights shall thereupon become vested solely in the Pledgee, and Pledgee (personally or through an agent) shall thereupon be solely, and hereby is, authorized and

empowered by each Pledgor and each Pledged Issuer to (i) transfer and register in the Pledgee's name, or in the name of the Pledgee's nominee, the whole or any part of the Pledged Collateral, it being acknowledged by each Pledgor and each Pledged Issuer that such transfer and registration may be effected by the Pledgee by the delivery of a Registration Page to the Pledgor or to the Pledged Issuer, as applicable, reflecting the Pledgee or its designee as the holder of such Pledged Collateral, or otherwise by the Pledgee through its irrevocable appointment as attorney-in-fact pursuant to Section 8 hereof, (ii) exchange certificates or instruments evidencing or representing Pledged Collateral for certificates or instruments of smaller or larger denominations, (iii) exercise the voting and all other rights as a holder with respect thereto (including, without limitation, all economic rights, all control rights, authority and powers, and all status rights of Pledgor as a member, shareholder, or other owner of any Pledged Issuer), (iv) collect and receive all dividends and other payments and distributions made thereon, (v) notify the parties obligated on any of the Pledged Collateral to make payment to the Pledgee of any amounts due or to become due thereunder, (vi) endorse instruments in the name of Pledgor to allow collection of any of the Pledged Collateral, (vii) enforce collection of any of the Pledged Collateral by suit or otherwise, and surrender, release, or exchange all or any part thereof, or compromise or renew for any period (whether or not longer than the original period) any liabilities of any nature of any Person with respect thereto, (viii) consummate any sales of Pledged Collateral or exercise other rights as set forth in Section 10 hereof, (ix) otherwise act with respect to the Pledged Collateral as though the Pledgee was the outright owner thereof, and (x) exercise any other rights or remedies the Pledgee may have under the Code or other applicable law;

(ii) **[Reserved];**

(iii) without limiting the generality of the foregoing, the Pledgee may, at its option, exercise any and all rights of conversion, exchange, subscription, or any other rights, privileges, powers, or options pertaining to any of the Pledged Collateral as if it were the absolute owner thereof, including, without limitation, the right to exchange, in the Pledgee's discretion, any and all of the Pledged Collateral upon the merger, consolidation, reorganization, recapitalization, or other adjustment of any Pledged Issuer, or upon the exercise by any Pledged Issuer of any right, privilege, or option pertaining to any Pledged Collateral, and, in connection therewith, to deposit and deliver any and all of the Pledged Collateral with any committee, depository, transfer agent, registrar, or other designated agent upon such terms and conditions as it may determine; and

(iv) all dividends, distributions, interest, and other payments which are received by any of the Pledgors contrary to the provisions of Section 7(b)(i) hereof shall be received and held in trust for the benefit of the Pledgee, shall be segregated from any other funds of the Pledgors, and shall be forthwith paid over to the Pledgee as Pledged Collateral in the exact form received with any necessary endorsement and/or appropriate stock powers duly executed in blank, together with such other documents or instruments as may be required hereunder or as Pledgee may reasonably request, to be held by the Pledgee as Pledged Collateral hereunder.

Section 8. Irrevocable Proxy and Attorney-in-Fact Power Coupled With an Interest.

(a) EACH PLEDGOR (AND, WITH RESPECT TO THE FOLLOWING CLAUSES (i), (ii) AND (v) HEREIN, EACH PLEDGED ISSUER) HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS THE PLEDGEE AS SUCH PLEDGOR'S (AND, WITH RESPECT TO THE FOLLOWING CLAUSES (i), (ii) AND (v) HEREIN OTHER THAN IN RELATION TO ULC INTERESTS, SUCH PLEDGED ISSUER'S) PROXY AND ATTORNEY-IN-FACT WITH RESPECT TO THE PLEDGED COLLATERAL WITH THE RIGHT, DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, TO TAKE ANY OR ALL OF THE FOLLOWING ACTIONS: (i) EXCEPT IN RELATION TO ULC INTERESTS, TRANSFER AND REGISTER IN ITS NAME OR IN THE NAME OF ITS NOMINEE THE WHOLE OR ANY PART OF THE PLEDGED COLLATERAL, (ii) EXCEPT IN THE CASE OF ULC SHARES, VOTE THE PLEDGED INTERESTS, WITH FULL POWER OF SUBSTITUTION TO DO SO, (iii) RECEIVE AND COLLECT ANY DIVIDEND OR OTHER PAYMENT OR DISTRIBUTION IN RESPECT OF, OR IN EXCHANGE FOR, THE PLEDGED COLLATERAL OR ANY PORTION THEREOF, TO GIVE FULL DISCHARGE FOR THE SAME AND TO INDORSE ANY INSTRUMENT MADE PAYABLE TO PLEDGOR FOR SAME, (iv) SUBJECT TO SECTION 18 HEREOF, EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES, AND REMEDIES (INCLUDING, WITHOUT LIMITATION, ALL ECONOMIC RIGHTS, ALL CONTROL RIGHTS, AUTHORITY AND POWERS, AND ALL STATUS RIGHTS OF PLEDGOR AS A MEMBER, SHAREHOLDER, OR OTHER OWNER OF THE PLEDGED ISSUER) TO WHICH A HOLDER OF THE PLEDGED COLLATERAL WOULD BE ENTITLED (INCLUDING, WITH RESPECT TO THE PLEDGED INTERESTS, GIVING OR WITHHOLDING WRITTEN CONSENTS OF MEMBERS, CALLING SPECIAL MEETINGS OF MEMBERS, AND VOTING AT SUCH MEETINGS), AND (v) SUBJECT TO SECTION 18 HEREOF TAKE ANY ACTION AND EXECUTE ANY INSTRUMENT WHICH THE PLEDGEE MAY DEEM NECESSARY OR ADVISABLE TO ACCOMPLISH THE PURPOSES OF THIS AGREEMENT. THE APPOINTMENT OF THE PLEDGEE AS PROXY AND ATTORNEY-IN-FACT IS COUPLED WITH AN INTEREST AND SHALL BE VALID AND IRREVOCABLE UNTIL (x) THE OBLIGATIONS HAVE BEEN INDEFEASIBLY PAID IN FULL IN CASH IN ACCORDANCE WITH THE PROVISIONS OF THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS, (y) THE APPLICABLE PLEDGEE HAS NO FURTHER OBLIGATIONS UNDER THE CREDIT AGREEMENT, THE OTHER LOAN DOCUMENTS, OR ANY OTHER DOCUMENTS, AND (z) THE COMMITMENTS UNDER THE CREDIT AGREEMENT HAVE EXPIRED OR BEEN TERMINATED (THE OCCURRENCE OF THE FOREGOING, THE "TERMINATION DATE"; IT BEING UNDERSTOOD THAT SUCH OBLIGATIONS AND COMMITMENTS WILL CONTINUE TO BE EFFECTIVE OR AUTOMATICALLY REINSTATED, AS THE CASE MAY BE, IF AT ANY TIME PAYMENT, IN WHOLE OR IN PART, OF ANY OF THE OBLIGATIONS IS RESCINDED OR MUST OTHERWISE BE RESTORED OR RETURNED BY THE PLEDGEE OR ANY LENDER OR ANY OTHER HOLDER OF SECURED OBLIGATIONS FOR ANY REASON, INCLUDING AS A PREFERENCE, FRAUDULENT CONVEYANCE, OR OTHERWISE UNDER ANY BANKRUPTCY, INSOLVENCY, OR SIMILAR LAW, ALL AS THOUGH SUCH PAYMENT HAD NOT BEEN MADE; IT BEING FURTHER UNDERSTOOD THAT IN THE EVENT PAYMENT OF ALL OR ANY PART OF THE OBLIGATIONS IS

RESCINDED OR MUST BE RESTORED OR RETURNED, ALL REASONABLE OUT-OF-POCKET COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND DISBURSEMENTS) INCURRED BY THE PLEDGEE IN DEFENDING AND ENFORCING SUCH REINSTATEMENT SHALL BE DEEMED TO BE INCLUDED AS A PART OF THE OBLIGATIONS). SUCH APPOINTMENT OF THE PLEDGEE AS PROXY AND ATTORNEY-IN-FACT SHALL BE VALID AND IRREVOCABLE AS PROVIDED HEREIN NOTWITHSTANDING ANY LIMITATIONS TO THE CONTRARY SET FORTH IN THE ARTICLES OF ORGANIZATION, LIMITED LIABILITY COMPANY AGREEMENTS, OR OTHER ORGANIZATION DOCUMENTS OF ANY PLEDGOR OR ANY PLEDGED ISSUER. In order to further effect the foregoing transfer of rights in favor of the Pledgee, Pledgee shall have the right, during the continuance of an Event of Default, to present to any Pledged Issuer with (x) this Section 8 as evidence of an irrevocable proxy coupled with an interest (an "Irrevocable Proxy ") and/or (y) a Registration Page, if any. No proxy or power of attorney provided for herein shall authorize any Pledgor to exercise rights other than in the name of the granting Pledgor.

(b) All prior proxies given by any Pledgor with respect to any of the Pledged Collateral or any of the Pledged Interests, as applicable (other than to (i) Pledgee and (ii) ABL Agent (but only to the extent that any such proxy to the ABL Agent is effective solely after all of the Secured Obligations constituting Term Loan Priority Debt (as defined in the ABL Split Lien Intercreditor Agreement) are repaid in full and all lending commitments, if any, under the Credit Agreement are terminated)), are hereby revoked, and no subsequent proxies (other than to (i) Pledgee and (ii) ABL Agent (but only to the extent that any such proxy to the ABL Agent is effective solely after all of the Secured Obligations constituting Term Loan Priority Debt (as defined in the ABL Split Lien Intercreditor Agreement) are repaid in full and all lending commitments, if any, under the Credit Agreement are terminated)) will be given with respect to any of the Pledged Interests or any other Pledged Collateral, as applicable, unless the Pledgee otherwise subsequently agrees in writing. The Pledgee, as proxy, will be empowered and may exercise the irrevocable proxy to vote the Pledged Interests and/or the other Pledged Collateral at any and all times during the continuance of an Event of Default, including, but not limited to, at any meeting of shareholders, partners, or members, as the case may be, however called, and at any adjournment thereof, or in any action by written consent, and may waive any notice otherwise required in connection therewith. To the fullest extent permitted by applicable law, the Pledgee shall have no agency, fiduciary, or other implied duties to any Pledgor, any Loan Party, or any other Person when acting in its capacity as such proxy or attorney-in-fact. Each Pledgor hereby waives and releases any claims that it may otherwise have against the Pledgee with respect to any breach or alleged breach of any such agency, fiduciary, or other duty.

Section 9. Additional Provisions Concerning the Pledged Collateral.

(a) This Agreement is executed only as security for the Secured Obligations and, therefore, the execution and delivery of this Agreement shall not subject Pledgee or any Lender or any other holder of Secured Obligations to, or transfer or pass to Pledgee or any Lender or any other holder of Secured Obligations, or in any way affect or modify, the liability of any of the Pledgors under their respective Organization Documents or any related agreements, documents, instruments, or otherwise. Notwithstanding any transfer to the Pledgee or its

nominee, or any registration in the name of the Pledgee or its nominee, or any delivery or any modification of a Registration Page, or any exercise of an Irrevocable Proxy, the Pledgee shall not be deemed the owner of, or assume any obligations of the owner or holder of, the Pledged Collateral unless and until the Pledgee subsequently expressly accepts such obligations in a duly authorized and executed writing, or otherwise becomes the owner thereof under applicable law (including, without limitation, through a sale as described in Section 10 hereof). In no event shall the acceptance of this Agreement by the Pledgee, or the exercise by the Pledgee of any rights hereunder or assigned hereby, constitute an assumption of any liability or obligation whatsoever of any Pledgor, any Pledged Issuer, or any other Person to, under, or in connection with any Organization Document thereof or any related agreements, documents, instruments, or otherwise.

(b) To the maximum extent permitted by applicable law, each Pledgor hereby (i) authorizes the Pledgee (personally or through an agent), during the continuance of an Event of Default, to execute any such agreements, instruments, or other documents in such Pledgor's name and to file such agreements, instruments, or other documents in such Pledgor's name in any appropriate filing office, and (ii) authorizes the Pledgee to file, with respect to the Pledged Collateral, any financing statements and any continuation statements or amendments with respect thereto, in any appropriate filing office without the signature of such Pledgor. A photocopy or other reproduction of this Agreement or any financing statement covering the Pledged Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(c) If any Pledgor fails to perform any agreement or obligation contained herein, subject to section 18 hereof, the Pledgee itself may perform, or cause performance of, such agreement or obligation, and the expenses of the Pledgee incurred in connection therewith shall be jointly and severally payable by the Pledgors pursuant to Section 11 hereof and shall be secured by the Pledged Collateral.

(d) The powers conferred on the Pledgee hereunder are solely to protect its interest in the Pledged Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Pledged Collateral in its possession and accounting for monies actually received by it hereunder, the Pledgee shall have no duty whatsoever as to any Pledged Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Pledged Collateral and shall be relieved of all responsibility for the Pledged Collateral upon surrendering it, or tendering surrender of it, to any Pledgor. The Pledgee shall be deemed to have exercised reasonable care in the custody and preservation of the Pledged Collateral in its possession if the Pledged Collateral is accorded treatment substantially equal to that which the Pledgee accords its own property, it being understood that the Pledgee shall not have any responsibility for (i) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders, or other matters relating to any Pledged Collateral, whether or not the Pledgee has or is deemed to have knowledge of such matters, or (ii) taking any necessary steps to preserve rights against any parties with respect to any Pledged Collateral.

Section 10. Remedies Upon Default. If any Event of Default shall be continuing:

(a) Subject to section 18 hereof, the Pledgee may exercise in respect of the Pledged Collateral, in addition to any other rights and remedies provided for herein or otherwise available to it, all of the rights and remedies of a secured party upon default under the Code then in effect in the State of New York or such other applicable jurisdiction; and without limiting the generality of the foregoing, and without notice except as specified below, sell the Pledged Collateral or any part thereof in one or more parcels at public or private sale, at any exchange or broker's board or elsewhere, at such price or prices and on such other terms as the Pledgee may deem commercially reasonable. Each Pledgor agrees that, to the extent notice of sale shall be required by law, at least ten (10) days' notice to such Pledgor of the time and place of any public sale of Pledged Collateral owned by such Pledgor or the time after which any private sale is to be made shall constitute commercially reasonable notification. The Pledgee shall not be obligated to make any sale of Pledged Collateral regardless of whether or not notice of sale has been given. The Pledgee may adjourn or cancel any public or private sale from time to time for any reason whatsoever by announcement at the time and place fixed therefor or at any time prior thereto, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) In the event that the Pledgee determines to exercise its right to sell all or any part of the Pledged Collateral pursuant to Section 10(a) hereof, each Pledgor will, at such Pledgor's expense and upon request by the Pledgee: (i) execute and deliver, and cause each issuer of such Pledged Collateral and the directors and officers thereof to execute and deliver, all such instruments and documents, and do or cause to be done all such other acts and things, as may be necessary or, in the opinion of the Pledgee, advisable to register such Pledged Collateral under the provisions of the Securities Act of 1933, as amended (the "Securities Act"), and to cause the registration statement relating thereto to become effective and to remain effective for such period as prospectuses are required by law to be furnished, and to make all amendments and supplements thereto and to the related prospectus which, in the opinion of the Pledgee, are necessary or advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto, (ii) cause each issuer of such Pledged Collateral to qualify such Pledged Collateral under the state securities or "Blue Sky" laws of each jurisdiction, and to obtain all necessary governmental approvals for the sale of the Pledged Collateral, as requested by the Pledgee, (iii) cause each Pledged Issuer to make available to its securityholders, as soon as practicable, an earnings statement which will satisfy the provisions of Section 11(a) of the Securities Act, and (iv) do or cause to be done all such other acts and things as may be necessary to make such sale of such Pledged Collateral valid and binding and in compliance with applicable law.

(c) Notwithstanding the provisions of Section 10(b) hereof, each Pledgor recognizes that the Pledgee may deem it impracticable to effect a public sale of all or any part of the Pledged Interests or any other securities constituting Pledged Collateral and that the Pledgee may, therefore, determine to make one or more private sales of any such securities to a restricted group of purchasers who will be obligated to agree, among other things, to acquire such securities for their own account, for investment and not with a view to the distribution or resale thereof. Each Pledgor acknowledges that any such private sale may be at prices and on terms

less favorable to the seller than the prices and other terms which might have been obtained at a public sale and, notwithstanding the foregoing, agrees that such private sales shall be deemed to have been made in a commercially reasonable manner and that the Pledgee shall have no obligation to delay the sale of any such securities for the period of time necessary to permit the issuer of such securities to register such securities for public sale under the Securities Act. Each Pledgor further acknowledges and agrees that any offer to sell such securities which has been (i) publicly advertised on a bona fide basis in a newspaper or other publication of general circulation in the financial community of New York, New York (to the extent that such an offer may be so advertised without prior registration under the Securities Act) or (ii) made privately in the manner described above to not less than ten (10) bona fide offerees shall be deemed to involve a "public disposition" for the purposes of Section 9-610(c) of the Code (or any successor or similar, applicable statutory provision) as then in effect in the State of New York, notwithstanding that such sale may not constitute a "public offering" under the Securities Act, and that the Pledgee may, in such event, bid for the purchase of such securities.

(d) Any cash held by the Pledgee as Pledged Collateral and all cash proceeds received by the Pledgee in respect of any sale of, collection from, or other realization upon, all or any part of the Pledged Collateral may, in the discretion of the Pledgee, be held by the Pledgee as collateral for, and/or then, or at any time thereafter, applied (after payment of any amounts payable to the Pledgee pursuant to Section 11 hereof) in whole or in part by the Pledgee against, all or any part of the Secured Obligations in such order as the Pledgee shall elect consistent with the provisions of the Credit Agreement.

(e) In the event that the proceeds of any such sale, collection, or realization are insufficient to pay all amounts to which the Pledgee is legally entitled, the Pledgors shall be liable, jointly and severally, for the deficiency, together with interest thereon at the highest rate specified in the Credit Agreement for interest on overdue principal thereof or such other rate as shall be fixed by applicable law, together with the costs of collection and the reasonable fees, costs, and expenses of any attorneys employed by the Pledgee to collect such deficiency.

(f) Each Pledgor further agrees that it hereby waives any and all rights of subrogation, reimbursement, exoneration, contribution, and similar rights it may have against any issuer of Pledged Interests, upon the sale or sales or dispositions of any portion or all of the Pledged Collateral by Pledgee.

Section 11. Indemnity and Expenses. The provisions set forth in Sections 10.03 and 10.14 of the Credit Agreement are incorporated herein and shall be binding on the parties hereto, with respect to this Agreement, as if fully set forth herein.

Section 12. Notices, Etc. Any notices and other communications provided for hereunder shall be made pursuant to, and in accordance with, and to the contact information provided in, Section 10.01 of the Credit Agreement or, as to each such party, at such other address as shall be designated by such party in a written notice to the other parties hereto complying as to delivery with the terms of Section 10.01 of the Credit Agreement. All such communications shall be, and shall be deemed to be, effective in accordance with, and pursuant to, the terms of Section 10.01 of the Credit Agreement.

Section 13. Security Interest Absolute. All rights of the Pledgee, all Liens and security interests, and all obligations of each of the Pledgors hereunder shall be absolute and unconditional irrespective of: (i) any lack of validity or enforceability of the Credit Agreement, the other Loan Documents, or any other agreement or instrument relating thereto, (ii) any change in the time, manner, or place of payment of, or in any other term in respect of, all or any of the Secured Obligations, or any other amendment or waiver of, or consent to, any departure from the Credit Agreement or any other Loan Document, (iii) any exchange or release of, or non-perfection of any Lien on any Collateral, or any release or amendment or waiver of, or consent to departure from, any guaranty (including, without limitation, any Guaranty) for all or any of the Secured Obligations, (iv) the insolvency of any Loan Party, Pledgor, or Pledged Issuer, or (v) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any of the Pledgors in respect of the Secured Obligations. All authorizations and agencies contained herein with respect to any of the Pledged Collateral are, and shall be deemed to be, valid and irrevocable powers coupled with an interest sufficient in law to support an irrevocable power.

Section 14. Reinstatement. If, at any time, all or any part of any payment applied by the Pledgee to any of the Secured Obligations is or must be rescinded or returned by the Pledgee or any Lender or any other holder of Secured Obligations for any reason whatsoever (including, without limitation, as a preference, fraudulent conveyance, or otherwise under any insolvency, bankruptcy, reorganization, or assignment for the benefit of creditors), such Secured Obligations shall, for the purposes hereof, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by the Pledgee, and this Agreement shall continue to be effective or be reinstated, as the case may be, as to such Secured Obligations, all as though such application by the Pledgee had not been made; it being further understood that in the event payment of all or any part of the Secured Obligations is rescinded or must be restored or returned, all reasonable out-of-pocket costs and expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the Pledgee in defending and enforcing such reinstatement shall be deemed to be included as a part of the Secured Obligations.

Section 15. Miscellaneous.

(a) No amendment of any provision of this Agreement shall be effective unless it is in writing and signed by each Pledgor and the Pledgee, and no waiver of any provision of this Agreement, and no consent to any departure by any of the Pledgors therefrom, shall be effective unless it is in writing and signed by the Pledgee, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(b) Subject to Section 18 hereof, the provisions set forth in Sections 10.08, 10.09 and 10.10 of the Credit Agreement are incorporated herein and shall be binding on the parties hereto, with respect to this Agreement, as if fully set forth herein and applicable to the parties hereto.

(c) No failure on the part of the Pledgee to exercise, and no delay in exercising, any right hereunder or under any Loan Document shall operate as a waiver thereof;

nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies of the Pledgee and the Lenders and the other holders of Secured Obligations provided herein and in the other Loan Documents are cumulative and are in addition to, and not exclusive of, any rights or remedies provided by law. The rights of the Pledgee or any Lender or any other holder of Secured Obligations under any Loan Document against any party thereto are not conditional or contingent on any attempt by such Person to exercise any of its rights under any other Loan Document against such party or against any other Person, including but not limited to, any Pledgor.

(d) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

(e) All representations and warranties of the Pledgors contained in this Agreement shall survive the execution and delivery of this Agreement.

(f) This Agreement shall create a continuing, first-priority security interest in, and Lien on, the Pledged Collateral and shall (i) remain in full force and effect until the indefeasible payment in full in cash, or the release, of all of the Secured Obligations after the termination of all of the Commitments and (ii) be binding on each Pledgor and, by its acceptance hereof, the Pledgee, and each of their respective successors and assigns, and shall inure, together with all rights and remedies of the Pledgee hereunder, to the benefit of the Pledgee and the Lenders and the other holders of Secured Obligations and their respective successors, transferees, and assigns. Without limiting the generality of clause (ii) of the immediately preceding sentence, the Pledgee and the Lenders and the other holders of Secured Obligations may assign or otherwise transfer their respective rights and obligations under this Agreement and any other Loan Document to any other permitted Person, provided, that such transfer is in accordance with the Credit Agreement and such other Person shall thereupon become vested with all of the benefits in respect thereof granted to the Pledgee and the Lenders and the other holders of Secured Obligations herein or otherwise. Upon any such assignment or transfer, all references in this Agreement to the Pledgee or any such Lender or other holders of the Secured Obligation shall mean the assignee of the Pledgee or such Lender or such holder. None of the rights or obligations of any of the Pledgors hereunder may be assigned or otherwise transferred without the prior written consent of the Pledgee, and any such assignment or transfer without such consent shall be null and void.

(g) Subject to the reinstatement provisions set forth in this Agreement, upon the indefeasible satisfaction in full of the Secured Obligations after the termination of all of the Commitments (i) this Agreement and the security interests and Liens created hereby shall terminate and all rights to the Pledged Collateral shall revert to the Pledgors and (ii) the Pledgee will, upon the Pledgors' request and at the Pledgors' expense, (A) return to the Pledgors such of the Pledged Collateral as shall not have been sold or otherwise disposed of or applied pursuant to the terms hereof and (B) execute and deliver to the Pledgors, without recourse, representation or warranty, such documents as the Pledgors shall reasonably request to evidence such termination all without representation, warranty or recourse whatsoever.

(h) Each Pledgor irrevocably and unconditionally waives any right it may have to claim or recover in any legal action, suit or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

(i) Section headings herein are included for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

(j) This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which shall be deemed an original, but all such counterparts shall constitute one and the same agreement.

(k) All of the obligations of the Pledgors hereunder are joint and several. The Pledgee may, in its sole and absolute discretion, enforce the provisions hereof against any of the Pledgors and shall not be required to proceed against all Pledgors jointly or seek payment from the Pledgors ratably. In addition, the Pledgee may, in its sole and absolute discretion, select the Pledged Collateral of any one or more of the Pledgors for sale or application to the Secured Obligations, without regard to the ownership of such Pledged Collateral, and shall not be required to make such selection ratably from the Pledged Collateral owned by all of the Pledgors. The release or discharge of any Pledgor by the Pledgee shall not release or discharge any other Pledgor from the obligations of such Person hereunder. Each Pledgor hereby waives any right of subrogation or interest in the Secured Obligations or the Pledged Collateral until all Secured Obligations have been indefeasibly paid in full in cash, the Commitments have been terminated, and the Pledgee has no further obligations whatsoever under the Credit Agreement and the other Loan Documents.

(l) Each Pledgor acknowledges and agrees that a breach of any of the covenants contained herein may cause irreparable injury to the Pledgee and that the Pledgee has no adequate remedy at law in respect of such breaches and therefore agrees that the covenants of each Pledgor contained herein shall be specifically enforceable against each Pledgor.

Section 16. **[Reserved]**

Section 17. LLC Agreement Insert. Each Pledgor hereby votes, with respect to each domestic limited liability company of which it is member, to amend the limited liability company operating agreement thereof by inserting therein the Inserts set forth on Annex V hereto to the extent such language is not in those entities' limited liability company agreements. The amendment to each such limited liability company operating agreement shall be effective when all members of the applicable limited liability company approve an amendment similar to the one contained in this Section.

Section 18. ULC Interests.

(a) In this Section 18, the following terms shall be defined as follows:

(i) "ULC" means an unlimited company, unlimited liability corporation or unlimited liability company incorporated pursuant to ULC Laws.

(ii) "ULC Issuer" means an issuer of ULC Interests.

(iii) "**ULC Interests**" means all shares, units, interests, participations or other equivalents (regardless of how designated) carrying membership or shareholder rights issued by a ULC.

(iv) "**ULC Laws**" means the *Business Corporations Act* (Alberta), the *Business Corporations Act* (British Columbia), the *Companies Act* (Nova Scotia), and any other present or future laws or regulations governing ULCs in Canada.

(b) Each Pledgor acknowledges that certain of the Pledged Collateral may now or in the future consist of ULC Interests, and that it is the intention of the Pledgee, for itself and on behalf of the Lenders and the other holders of Secured Obligations, and the Pledgors, that the Pledgee should not under any circumstances prior to realization thereon be held to be a "member" or a "shareholder" or obtain or have the right to obtain any other indicia of ownership, as applicable, of a ULC for the purposes of any ULC Laws. Therefore, notwithstanding any provisions to the contrary contained in this Agreement, the Credit Agreement or any other Loan Document, where a Pledgor is the registered owner of ULC Interests which are Pledged Collateral, the Pledgor shall remain the sole registered owner of such ULC Interests until such time as such ULC Interests are effectively transferred into the name of the Pledgee, the Lenders, any other holder of Secured Obligations or any other Person on the books and records of the applicable ULC. Accordingly, each Pledgor shall be entitled to receive and retain for its own account any dividend on or other distribution, if any, with respect to such ULC Interests (except for any dividend or distribution comprised of certificated securities that form part of the Pledged Collateral, which shall be delivered to the Pledgee to hold hereunder) and shall have the right to vote such ULC Interests and to control the direction, management and policies of the applicable ULC to the same extent as such Pledgor would if such ULC Interests were not pledged to the Pledgee pursuant hereto. Nothing in this Agreement, the Credit Agreement or any other Loan Document is intended to, and nothing in this Agreement, the Credit Agreement or any other Loan Document shall, constitute the Pledgee, any of the Lenders, the other holders of Secured Obligations or any other Person other than the applicable Pledgor, a member or shareholder of a ULC for the purposes of any ULC Laws (whether listed or unlisted, registered or beneficial), until such time as notice is given to such Pledgor and further steps are taken to register the Pledgee or such other Person, as specified in such notice, as the holder of the ULC Interests. To the extent any provision hereof would have the effect of constituting the Pledgee, any of the Lenders, or the other holders of Secured Obligations, of any other Person as a member or a shareholder, as applicable, of any ULC prior to such time, such provision shall be severed herefrom and shall be ineffective with respect to ULC Interests which are Pledged Collateral without otherwise invalidating or rendering unenforceable this Agreement or invalidating or rendering unenforceable such provision insofar as it relates to Pledged Collateral which is not ULC Interests. Except upon the exercise of rights of the Pledgee on notice to the Pledgor to sell, transfer or otherwise dispose of ULC Interests in accordance with this Agreement, each Pledgor shall not cause or permit, or enable a ULC Issuer to cause or permit, the Pledgee, a Lender or any other holder of Secured Obligations to (and no provision of this Agreement shall apply or be deemed to apply so as to cause the Pledgee, Lenders or other holders of Secured Obligations to): (a) be registered as a shareholder or member of such ULC Issuer; (b) have any notation entered in its favour in the share or unit register of such ULC Issuer; (c) be held out as a shareholder or member of such ULC Issuer; (d) receive, directly or indirectly, any dividends, property or other distributions from such ULC Issuer by reason of the Pledgee holding security interests over the

ULC Interests; or (e) act or purport to act as a shareholder or member of such ULC Issuer, or exercise any rights of a shareholder or member, including the right to attend a meeting of shareholders or members of such ULC Issuer or to vote its ULC Interests.

[Rest of Page Intentionally Left Blank; Signature Page Follows]

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

PLEDGORS:

NEW ERA CAP CO., INC.

By: 

Name: Kevin Wilson

Title: Treasurer

CKCK, LLC

NE APPAREL, L.L.C.

NEW ERA CAP HONG KONG, L.L.C.

NEW ERA CHINA, LLC

NEW ERA JAPAN, L.L.C.

NEW ERA LATIN AMERICA, LLC

NEW ERA NZ, LLC

By: NEW ERA FLAGSHIP CO., INC.,
its General Manager

By: 

Name: Kevin Wilson

Title: Treasurer

NE FLAGSHIP CO., INC.

NEC-NY, INC.

By: 

Name: Kevin Wilson

Title: Treasurer

NEW ERA BRAZIL, LLC


By: NEW ERA LATIN AMERICA, LLC,
its Member Manager

By: NEW ERA FLAGSHIP CO., INC.,
its General Manager


By: 
Name: Kevin Wilson
Title: Treasurer

NEW ERA U.S. RETAIL, L.L.C.

By: NEW ERA FLAGSHIP CO., INC.,
its General Manager

By: 
Name: Kevin Wilson
Title: Treasurer

NEW ERA DISC CORP.

By: 
Name: Kevin Wilson
Title: Chief Financial Officer

NEW ERA CAP COMPANY

By: 
Name: Kevin Wilson
Title: Treasurer

NEW ERA CAP COMPANY LIMITED

By: 
Name: Kevin Wilson
Title: Treasurer

PLEDGEE:

KAYNE SENIOR CREDIT III LOANCO, LLC,
as administrative agent for the Lenders and Pledgee

By 

Name: Doug Goodwillie

Title: Authorized Signatory

PLEDGE ACKNOWLEDGMENT AND CONTROL AGREEMENT

The undersigned each hereby (a) acknowledge receipt of a copy of the foregoing Pledge and Security Agreement and agree to the provisions thereof, and (b) waive any rights or requirement at any time hereafter to receive a copy of such Pledge and Security Agreement in connection with the registration of any Pledged Interests or any other Pledged Collateral (as such terms are defined therein) in the name of the Pledgee or its nominee or the exercise of voting rights or other consensual by the Pledgee.

The undersigned each hereby represent and warrant to the Pledgee that (i) as of the date hereof, Pledgors are the record beneficial owners of the Pledged Interests issued by the undersigned, as set forth in Schedule I of the Pledge and Security Agreement, and the Pledged Interests represent all of the equity interests of the Pledgors in the undersigned; (ii) it has no knowledge of any pledge of, or any grant of security interest in, or any adverse claims to, the Pledged Interests issued by the undersigned (other than in favor of Pledgee); (iii) the execution, delivery, and performance by the parties to the Pledge and Security Agreement in accordance with its terms will not violate the Organization Documents of the undersigned or any other agreements, instruments, or documents restricting the transfer or encumbrance of the Pledged Interests or the other Pledged Collateral to which the undersigned is a party; and (iv) the undersigned has noted on its books and records the transfer of the security interest in, and lien on, the equity interests of the undersigned as provided in such Pledge and Security Agreement, including the following legend:

PURSUANT TO THAT CERTAIN PLEDGE AND SECURITY AGREEMENT DATED AS OF SEPTEMBER 10, 2018 (AS FROM TIME TO TIME AMENDED, RESTATED, SUPPLEMENTED, OR OTHERWISE MODIFIED), NEW ERA CAP CO., INC., NEC-NY, INC., NE FLAGSHIP CO., INC., NE APPAREL, L.L.C., CKCK, LLC, NEW ERA JAPAN, L.L.C., NEW ERA NZ, LLC, NEW ERA CAP HONG KONG, L.L.C., NEW ERA CHINA, LLC, NEW ERA LATIN AMERICA, LLC, NEW ERA BRAZIL, LLC, AND/OR NEW ERA CAP HONG KONG L.L.C. HAS, UNDER THE CIRCUMSTANCES SPECIFIED IN SUCH PLEDGE AND SECURITY AGREEMENT, EMPOWERED KAYNE SENIOR CREDIT III LOANCO, LLC, AS ADMINISTRATIVE AGENT FOR THE LENDERS, AND IN ITS CAPACITY AS PLEDGEE, TO VOTE THE INTERESTS REPRESENTED BY THIS CERTIFICATE PURSUANT TO SUCH PLEDGE AND SECURITY AGREEMENT.

The undersigned each hereby agree that it will not recognize, acknowledge, or permit the pledge, transfer, grant of Control (such term is used herein as defined in the Code), or other disposition of the Pledged Interests issued by the undersigned (or any portion thereof) other than to, or as requested by, the Pledgee. If any Pledgor transfers any Pledged Interests issued by the undersigned to any Person in contravention of the terms of the Pledge and Security Agreement, such transfer shall be void as against the undersigned and the undersigned shall not record such transfer on its books and records or treat such Person as the owner of such Pledged Interests for any purpose whatsoever. During the existence of an Event of Default, the undersigned shall promptly comply with the instructions of Pledgee with respect to the Pledged Interests issued by the undersigned without the further consent or action of any Pledgor, including, without limitation, instructions as to the transfer or other disposition of the Pledged

Interests, to pay and remit to Pledgee or its nominee all dividends, distributions and other amounts payable to any Pledgor in respect of the Pledged Interests (upon redemption of the Pledged Interests, dissolution of the undersigned, or otherwise), and to transfer to, and register the Pledged Interests in the name of, Pledgee or its nominee or transferee. The undersigned each hereby acknowledge and agree that upon the delivery of any certificates representing the Pledged Interests issued by the undersigned endorsed to Pledgee or in blank, or, to the extent the Pledged Interests are not represented by certificates, upon the execution and delivery of this Pledge Acknowledgement and Control Agreement by the parties hereto, Pledgee shall have Control over the Pledged Interests.

(signature page follows)

None of the terms or provisions of this Pledge Acknowledgement and Control Agreement may be waived, altered, modified, or amended except in writing duly signed by each of the undersigned and Pledgee.

Dated: _____, 2018

NEW ERA DISC CORP.

By: _____

Name: Kevin Wilson

Title: Chief Financial Officer

**NEW ERA CAP (SHENZHEN) TRADING
COMPANY LIMITED**

By: _____

Name: Christopher H. Koch

Title: Legal Representative

NEC-NY, INC.

By: _____

Name: Kevin Wilson

Title: Treasurer

NEW ERA CAP COMPANY

By: _____

Name: Kevin Wilson

Title: Treasurer

NEW ERA RETAIL CANADA, CORP.

By: _____

Name: Kevin Wilson

Title: Treasurer

5TH & OCEAN CLOTHING, LLC

By: 

Name: Kevin Wilson

Title: Treasurer

NEW ERA CAP COMPANY LIMITED

By: 

Name: Christopher H. Koch

Title: Director

NEW ERA CAP S.L.

By: _____

Name: Alan Jones

Title: Director

NEW ERA CAP S.A.S

By: _____

Name: Alan Jones

Title: President

NEW ERA CAP S.R.L.

By: _____

Name: Alan Jones

Title: President

NEW ERA CAP JAPAN GK

By: _____

Name: Matthew Reeves

Title: Representative Director

5TH & OCEAN CLOTHING, LLC

By: _____
Name: Kevin Wilson
Title: Treasurer

NEW ERA CAP COMPANY LIMITED

By: _____
Name: Christopher H. Koch
Title: Director

NEW ERA CAP S.L.

By: _____
Name: Alan Jones
Title: Director

NEW ERA CAP S.A.S

By: _____
Name: Alan Jones
Title: President

NEW ERA CAP S.R.L.

By: _____
Name: Alan Jones
Title: President

NEW ERA CAP JAPAN GK

By: _____
Name: Matthew Reeves
Title: Representative Director

5TH & OCEAN CLOTHING, LLC

By: _____
Name: Kevin Wilson
Title: Treasurer

NEW ERA CAP COMPANY LIMITED

By: _____
Name: Christopher H. Koch
Title: Director

NEW ERA CAP S.L.

By: _____
Name: Alan Jones
Title: Director

NEW ERA CAP S.A.S

By: _____
Name: Alan Jones
Title: President

NEW ERA CAP S.R.L.

By: _____
Name: Alan Jones
Title: President

NEW ERA CAP JAPAN GK

By: _____
Name: Matthew Reeves
Title: Representative Director

NEW ERA CAP NEW ZEALAND

By: 

Name: Kevin Wilson

Title: Director

NEW ERA CAP KOREA LLC

By: 

Name: Kevin Wilson

Title: Director

NEW ERA CAP AUSTRALIA PTY LTD

By: 

Name: Kevin Wilson

Title: Director

NEW ERA CAP CHINA LIMITED

By: 

Name: Kevin Wilson

Title: Director

NEW ERA CAP MEXICO S. DE R.L. DE C.V.

By: 

Name: Kevin Wilson

Title: General Manager

NEW ERA CAP MEXICO SERVICES S. DE R.L. DE C.V.

By: 

Name: Christopher H. Koch

Title: General Manager

NEW ERA BRAZIL, LLC

By: 
Name: Kevin Wilson
Title: Treasurer

NEW ERA BRAZIL INVESTIMENTOS E PARTICIPACOES LTDA

By: _____
Name: Bruno de Luca Zanatta
Title: Director

160 BRAZILIAN COMERCIO EXTERIOR E PARTICIPACOES LTDA

By: _____
Name: Bruno de Luca Zanatta
Title: Director

NEW ERA BRAZIL, LLC

By: _____
Name: Kevin Wilson
Title: Treasurer

NEW ERA BRAZIL INVESTIMENTOS E PARTICIPACOES LTDA

By: _____
Name: Bruno de Luca Zanatta
Title: Director

160 BRAZILIAN COMERCIO EXTERIOR E PARTICIPACOES LTDA

By: _____
Name: Bruno de Luca Zanatta
Title: Director

SCHEDULE I

TO

PLEDGE AND SECURITY AGREEMENT

Pledged Interests

<u>Pledgor</u>	<u>Name of Issuer</u>	<u>Number of Shares or Units</u>	<u>Date Issued</u>	<u>Class</u>	<u>Certificate Number</u>	<u>Percentage of Class Interests</u>
New Era Cap Co., Inc.	New Era DISC Corp.	3,000	December 30, 2016	Common stock	1	100%
New Era Cap Co., Inc.	New Era Cap (Shenzhen) Trading Company Limited	N/A	N/A	N/A	N/A	100%
New Era Cap Co., Inc.	NEC-NY, Inc.	200	December 30, 2016	Common stock	1	100%
NEC-NY, Inc.	New Era Cap Company	100	TBD	TBD	2	100%
NE Flagship Co., Inc.	New Era Retail Canada, Corp.	200,000	TBD	TBD	2	100%
NE Apparel, L.L.C.	5th & Ocean Clothing, LLC	95	N/A	N/A	N/A	95%
CKCK, LLC	New Era Cap Company Ltd.	2,000	September 28, 2016	Ordinary shares	9, 10	100%
CKCK, LLC	New Era Cap S.L.U.	3,000	N/A	N/A	N/A	100%
CKCK, LLC	New Era Cap S.A.S	300	N/A	N/A	N/A	100%
CKCK, LLC	New Era Cap S.r.l.	50,000	N/A	N/A	N/A	100%
New Era Japan, L.L.C.	New Era Japan GK	N/A	N/A	N/A	N/A	100%
New Era NZ, LLC	New Era Cap New Zealand ULC	N/A	N/A	N/A	N/A	100%
New Era Cap Hong Kong, L.L.C.	New Era Cap Korea LLC	30,220	N/A	N/A	N/A	100%
New Era Cap Hong Kong, L.L.C.	New Era Cap Australia Pty Ltd	2	TBD	TBD	1	100%

<u>Pledgor</u>	<u>Name of Issuer</u>	<u>Number of Shares or Units</u>	<u>Date Issued</u>	<u>Class</u>	<u>Certificate Number</u>	<u>Percentage of Class Interests</u>
New Era China, LLC	New Era Cap China Limited	1	TBD	TBD	1	100%
New Era Latin America, LLC	New Era Cap Mexico S. de R.L. de C.V.	N/A	N/A	N/A	N/A	1%
New Era Latin America, LLC	New Era Cap Mexico Services S. de R.L. de C.V.	N/A	N/A	N/A	N/A	1%
New Era Latin America, LLC	New Era Brazil, LLC	100	March 17, 2017	Membership interest	9	100%
New Era Latin America, LLC	New Era Brazil Investimentos E Participacoes Ltda	6,940,234	N/A	N/A	N/A	50%
New Era Latin America, LLC	160 Brazilian Comercio Exterior E Participacoes Ltda	3,608,492	N/A	N/A	N/A	50%
New Era Brazil, LLC	New Era Brazil Investimentos E Participacoes Ltda	6,940,234	N/A	N/A	N/A	50%
New Era Brazil, LLC	160 Brazilian Comercio Exterior E Participacoes Ltda	3,608,492	N/A	N/A	N/A	50%
New Era Brazil, LLC	New Era Cap Mexico S. de R.L. de C.V.	TBD	N/A	N/A	N/A	99%
New Era Brazil, LLC	New Era Cap Mexico Services S. de R.L. de C.V.	TBD	N/A	N/A	N/A	99%

New Era Cap Hong Kong, L.L.C. owns an approximately 19.97% interest as of the Closing Date in Mainland Headwear Holdings Inc., an entity incorporated in Hong Kong, which interest is pledged pursuant to this Agreement.

ANNEX I

TO

PLEDGE AND SECURITY AGREEMENT

PLEDGE AMENDMENT

This Pledge Amendment, dated _____, _____ is delivered pursuant to Section 4 of the Pledge and Security Agreement referred to below. All defined terms herein shall have the meanings ascribed thereto or incorporated by reference in the Pledge and Security Agreement. The undersigned hereby certifies that the representations and warranties in Section 5 of the Pledge and Security Agreement are, and continue to be, true and correct both as to the equity interests, indebtedness and other Pledged Collateral pledged prior to this Pledge Amendment, and as to the equity interests, indebtedness and other Pledged Collateral pledged pursuant to this Pledge Amendment. The undersigned further agrees that this Pledge Amendment may be attached to that certain Pledge and Security Agreement, dated as of September 10, 2018, among the undersigned, as a Pledgor, the other parties party thereto from time to time as Pledgors, and Kayne Senior Credit III Loanco, LLC, in its capacity as administrative agent under the Credit Agreement (in such capacity, the "Pledgee") (as may be amended, restated, supplemented, or otherwise modified from time to time, the "Pledge and Security Agreement"), and that the equity interests, indebtedness, and other properties of the undersigned listed on this Pledge Amendment shall be and become a part of the Pledged Interests and the Pledged Collateral referred to in the Pledge and Security Agreement, and shall secure all Secured Obligations referred to, and in accordance with, the Pledge and Security Agreement. Schedule I of the Pledge and Security Agreement, as applicable, are, and shall be deemed, amended to include the equity interests, indebtedness, and other properties set forth on this Pledge Amendment. The undersigned acknowledges that any equity interests, indebtedness, or other properties owned by the undersigned not included in the Pledged Collateral at the discretion of Pledgee may not otherwise be pledged by the undersigned to any other Person or otherwise used as security for any obligations other than the Secured Obligations.

By: _____
Name: _____
Title: _____

<u>Pledged Interests</u>						
<u>Pledgor</u>	<u>Name of Issuer</u>	<u>Number of Shares or Units</u>	<u>Date Issued</u>	<u>Class</u>	<u>Certificate Number</u>	<u>Percentage of Class Interests</u>

ANNEX II
TO
PLEDGE AND SECURITY AGREEMENT
STOCK POWER

STOCK POWER

FOR VALUE RECEIVED, the undersigned, _____ a
_____ ("Pledgor"), does hereby sell, assign and transfer to
_____ * all of its Equity Interests (as hereinafter defined)
represented by Certificate No(s). _____ * in _____, a
_____ ("Issuer") standing in the name of Pledgor on the books of said
Issuer. Pledgor does hereby irrevocably constitute and appoint _____ *, as
attorney, to transfer the Equity Interests in said Issuer with full power of substitution in the
premises. The term "Equity Interest" means any security, share, unit, partnership interest,
membership interest, ownership interest, equity interest, option, warrant, participation, "equity
security" (as such term is defined in Rule 3(a)11-1 of the General Rules and Regulations of the
Securities Exchange Act of 1934, as amended, or any similar statute then in effect, promulgated
by the Securities and Exchange Commission and any successor thereto), or analogous interest
(regardless of how designated) of or in a corporation, partnership, limited partnership, limited
liability company, business trust, or other entity, of whatever nature, type, series or class,
whether voting or nonvoting, certificated or uncertificated, common or preferred, and all rights
and privileges incident thereto.

Dated: _____ *

PLEDGOR:

By: _____

Name: _____

Title: _____

***To Remain Blank**

ANNEX III
TO
PLEDGE AND SECURITY AGREEMENT
[reserved]

ANNEX IV
TO
PLEDGE AND SECURITY AGREEMENT
REGISTRATION PAGE

[Issuer]

[Membership Interest] Ledger as of _____, *

NAME	CERTIFICATE NO.	NUMBER OF INTERESTS

Acknowledged By:

[Issuer]

By _____
Print Name _____
Title _____

***To Remain Blank - Not Completed at Closing**

ANNEX V
TO
PLEDGE AND SECURITY AGREEMENT
LLC OPERATING AGREEMENT INSERTS

INSERT #1

Notwithstanding anything contained herein to the contrary, each Member shall be permitted to pledge or hypothecate any or all of its Units, including, without limitation, all economic rights and privileges, all control rights, authority, and powers, and all status rights as a Member, to any lender to the Company or any affiliate of the Company, or to any agent acting on such lender's behalf, and any Transfer of such Units pursuant to any such lender's (or agent's) exercise of remedies in connection with any such pledge or hypothecation shall be permitted under this Agreement with no further action or approval required hereunder. Notwithstanding anything contained herein to the contrary, subject to the terms of the financing giving rise to any pledge or hypothecation of Units, the lender (or agent) shall have the right, to the extent set forth in the applicable pledge or hypothecation agreement, and without further approval of any Member and without becoming a Member (unless such lender (or agent) expressly elects in writing to become a Member), to exercise the membership voting rights of the Member granting such pledge or hypothecation. Notwithstanding anything contained herein to the contrary, and without complying with any other procedures set forth in this Agreement, upon the exercise of remedies in connection with a pledge or hypothecation, to the extent set forth in the applicable pledge or hypothecation agreement, (a) the lender (or agent) or Transferee of such lender (or agent), as the case may be, shall, if it so elects, become a Member under this Agreement and shall succeed to all of the rights and powers, including the right to participate in the management of the business and affairs of the Company, and shall be bound by all of the obligations, of a Member under this Agreement without taking any further action on the part of such lender (or agent) or Transferee, as the case may be, and (b) following such exercise of remedies, the pledging Member shall cease to be a Member and shall have no further rights or powers under this Agreement. Notwithstanding anything contained herein to the contrary, no legal opinion shall be required in connection with any pledge or hypothecation of Units, or any transfer or exercise of rights or remedies pursuant hereto. The execution and delivery of this Agreement by a Member shall constitute any necessary approval of such Member under the applicable Limited Liability Company Act to the foregoing provisions of this paragraph.

So long as any pledge or hypothecation of any Units is in effect, the Company shall not elect that its Units become governed by Article 8 of the Uniform Commercial Code as in effect in any relevant jurisdiction without the prior written consent of all pledgees of such Units or the delivery of any applicable limited liability company certificate or control agreement necessary to perfect each such pledgee's interests in the applicable Units.

The forgoing provisions may not be amended or modified so long as any of the Units is subject to a pledge or hypothecation without the pledgee's (or the Transferee of such pledgee's) prior

written consent. Each recipient of a pledge or hypothecation of the Units shall be a third party beneficiary of the provisions of this provision.

Capitalized terms used in the foregoing provisions and not defined shall be deemed amended to reflect comparable terms used in the applicable limited liability company operating agreement into which such provisions are being inserted.

INSERT #2 (SOLELY WITH RESPECT TO THE LIMITED LIABILITY COMPANY
OPERATING AGREEMENT OF 5TH & OCEAN CLOTHING, LLC)

Notwithstanding any redemption or comparable provisions contained in this Agreement to the contrary, each Member agrees that he, she or it, as applicable, will not accept any Restricted Payment (as defined in that certain Credit Agreement dated as of September 10, 2018, among New Era Cap Co., Inc., certain of its affiliates, Kayne Senior Credit III Loanco, LLC, as agent, and the lenders party thereto, as amended, restated or otherwise modified from time to time (the "Credit Agreement")), except to the extent that such Restricted Payment is expressly permitted to be made under such Credit Agreement (or following a refinancing of all of the Obligations (as defined in the Credit Agreement), any agreement evidencing debt which refinances all or any portion of the Obligations), and that in connection with any Change of Control (as defined in such Credit Agreement) or any other sale, transfer or other disposition of any Capital Stock (as defined in the Credit Agreement) of any Loan Party (as defined in the Credit Agreement) or any of its Subsidiaries (as defined in the Credit Agreement), each Member's only claim with respect to any proceeds generated by such Change in Control or other sale, transfer or other disposition will be to the proceeds thereof after the Obligations (or any debt which refinances all or any portion of the Secured Obligations) are paid in full.

The forgoing provisions may not be amended or modified so long as any of the Units is subject to a pledge or hypothecation without the pledgee's (or the Transferee of such pledgee's) prior written consent. Each recipient of a pledge or hypothecation of the Units shall be a third party beneficiary of the provisions of this provision.

Capitalized terms used in the foregoing provisions and not defined shall be deemed amended to reflect comparable terms used in the applicable limited liability company operating agreement into which such provisions are being inserted.