

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

**FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended May 2, 2021

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-07572

**PVH CORP.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

13-1166910

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

200 Madison Avenue, New York, New York  
(Address of principal executive offices)

10016

(Zip Code)

(212) 381-3500

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$1.00 par value	PVH	New York Stock Exchange

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

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

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

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

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

The number of outstanding shares of common stock of the registrant as of June 2, 2021 was 71,359,730.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: Forward-looking statements in this Quarterly Report on Form 10-Q, including, without limitation, statements relating to our future revenue, earnings and cash flows, plans, strategies, objectives, expectations and intentions, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy, and some of which might not be anticipated, including, without limitation, (i) our plans, strategies, objectives, expectations and intentions are subject to change at any time at our discretion; (ii) our ability to realize anticipated benefits and savings from restructuring and similar plans, such as the workforce reductions in North America and certain international markets, the exit from the Heritage Brands Retail business by mid-2021 and the reductions in our office and store real estate footprint, all as previously announced; (iii) we may be considered to be highly leveraged and we use a significant portion of our cash flows to service our indebtedness, as a result of which we might not have sufficient funds to operate our businesses in the manner we intend or have operated in the past; (iv) the levels of sales of our apparel, footwear and related products, both to our wholesale customers and in our retail stores and our directly operated digital commerce sites, the levels of sales of our licensees at wholesale and retail, and the extent of discounts and promotional pricing in which we and our licensees and other business partners are required to engage, all of which can be affected by weather conditions, changes in the economy, fuel prices, reductions in travel, fashion trends, consolidations, repositionings and bankruptcies in the retail industries, repositionings of brands by our licensors, consumer sentiment and other factors; (v) our ability to manage our growth and inventory; (vi) quota restrictions, the imposition of safeguard controls and the imposition of new or increased duties or tariffs on goods from the countries where we or our licensees produce goods under our trademarks, any of which, among other things, could limit the ability to produce products in cost-effective countries, or in countries that have the labor and technical expertise needed, or require us to absorb costs or try to pass costs onto consumers, which could materially impact our revenue and profitability; (vii) the availability and cost of raw materials; (viii) our ability to adjust timely to changes in trade regulations and the migration and development of manufacturers (which can affect where our products can best be produced); (ix) the regulation or prohibition of the transaction of business with specific individuals or entities and their affiliates or goods manufactured in (or containing raw materials or components from) certain regions, such as the listing of a person or entity as a Specially Designated National or Blocked Person by the U.S. Department of the Treasury's Office of Foreign Assets Control and the issuance of Withhold Release Orders by the U.S. Customs and Border Patrol; (x) changes in available factory and shipping capacity, wage and shipping cost escalation, civil conflict, war or terrorist acts, the threat of any of the foregoing, or political or labor instability in any of the countries where our or our licensees' or other business partners' products are sold, produced or are planned to be sold or produced; (xi) disease epidemics and health-related concerns, such as the ongoing COVID-19 pandemic, which could result in (and, in the case of the COVID-19 pandemic, has resulted in some of the following) supply-chain disruptions due to closed factories, reduced workforces and production capacity, scarcity of raw materials and scrutiny or embargoing of goods produced in affected areas, closed stores, reduced consumer traffic and purchasing, as consumers become ill or limit or cease shopping in order to avoid exposure, or governments implement mandatory business closures, travel restrictions or the like to prevent the spread of disease, and market or other changes that could result (or, with respect to the COVID-19 pandemic, could continue to result) in noncash impairments of our goodwill and other intangible assets, operating lease right-of-use assets, and property, plant and equipment; (xii) acquisitions and divestitures and issues arising with acquisitions, divestitures and proposed transactions, including, without limitation, the ability to integrate an acquired entity or business into us with no substantial adverse effect on the acquired entity's, the acquired business's or our existing operations, employee relationships, vendor relationships, customer relationships or financial performance, and the ability to operate effectively and profitably our continuing businesses after the sale or other disposal of a subsidiary, business or the assets thereof; (xiii) the failure of our licensees to market successfully licensed products or to preserve the value of our brands, or their misuse of our brands; (xiv) significant fluctuations of the U.S. dollar against foreign currencies in which we transact significant levels of business; (xv) our retirement plan expenses recorded throughout the year are calculated using actuarial valuations that incorporate assumptions and estimates about financial market, economic and demographic conditions, and differences between estimated and actual results give rise to gains and losses, which can be significant, that are recorded immediately in earnings, generally in the fourth quarter of the year; (xvi) the impact of new and revised tax legislation and regulations; and (xvii) other risks and uncertainties indicated from time to time in our filings with the Securities and Exchange Commission.

We do not undertake any obligation to update publicly any forward-looking statement, including, without limitation, any estimate regarding revenue, earnings or cash flows, whether as a result of the receipt of new information, future events or otherwise.

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PART I - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

PVH Corp.  
 Consolidated Statements of Operations  
 Unaudited  
 (In millions, except per share data)

	Thirteen Weeks Ended	
	May 2, 2021	May 3, 2020
Net sales	\$ 1,980.5	\$ 1,257.2
Royalty revenue	77.7	69.0
Advertising and other revenue	21.1	17.8
Total revenue	2,079.3	1,344.0
Cost of goods sold (exclusive of depreciation and amortization)	850.2	678.1
Gross profit	1,229.1	665.9
Selling, general and administrative expenses	1,039.4	940.1
Goodwill and other intangible asset impairments	—	933.5
Non-service related pension and postretirement income	(4.0)	(3.6)
Other noncash loss, net	—	3.1
Equity in net income (loss) of unconsolidated affiliates	3.7	(11.2)
Income (loss) before interest and taxes	197.4	(1,218.4)
Interest expense	30.5	22.5
Interest income	1.1	1.3
Income (loss) before taxes	168.0	(1,239.6)
Income tax expense (benefit)	68.3	(142.4)
Net income (loss)	99.7	(1,097.2)
Less: Net loss attributable to redeemable non-controlling interest	(0.2)	(0.4)
Net income (loss) attributable to PVH Corp.	\$ 99.9	\$ (1,096.8)
Basic net income (loss) per common share attributable to PVH Corp.	\$ 1.40	\$ (15.37)
Diluted net income (loss) per common share attributable to PVH Corp.	\$ 1.38	\$ (15.37)

See accompanying notes.

PVH Corp.  
Consolidated Statements of Comprehensive Income (Loss)  
Unaudited  
(In millions)

	Thirteen Weeks Ended	
	May 2, 2021	May 3, 2020
Net income (loss)	\$ 99.7	\$ (1,097.2)
Other comprehensive (loss) income:		
Foreign currency translation adjustments	(6.5)	(112.6)
Net unrealized and realized gain related to effective cash flow hedges, net of tax expense of \$1.2 and \$4.1	8.3	7.8
Net gain on net investment hedges, net of tax expense of \$1.5 and \$3.7	4.5	11.5
Total other comprehensive income (loss)	6.3	(93.3)
Comprehensive income (loss)	106.0	(1,190.5)
Less: Comprehensive loss attributable to redeemable non-controlling interest	(0.2)	(0.4)
Comprehensive income (loss) attributable to PVH Corp.	<u>\$ 106.2</u>	<u>\$ (1,190.1)</u>

See accompanying notes.

PVH Corp.  
Consolidated Balance Sheets  
(In millions, except share and per share data)

	May 2, 2021	January 31, 2021	May 3, 2020
	UNAUDITED	AUDITED	UNAUDITED
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 913.2	\$ 1,651.4	\$ 800.7
Trade receivables, net of allowances for credit losses of \$69.8, \$69.6 and \$54.0	852.7	641.5	545.6
Other receivables	30.6	25.1	21.3
Inventories, net	1,450.9	1,417.1	1,561.2
Prepaid expenses	167.5	158.2	160.1
Other	68.1	50.4	99.4
Total Current Assets	<u>3,483.0</u>	<u>3,943.7</u>	<u>3,188.3</u>
Property, Plant and Equipment, net	909.4	942.7	976.5
Operating Lease Right-of-Use Assets	1,494.1	1,564.8	1,638.0
Goodwill	2,947.4	2,954.3	2,759.1
Tradenames	2,865.4	2,869.7	2,768.9
Other Intangibles, net	642.7	648.5	616.4
Other Assets, including deferred taxes of \$57.1, \$57.2 and \$49.4	359.6	369.8	347.0
Total Assets	<u>\$ 12,701.6</u>	<u>\$ 13,293.5</u>	<u>\$ 12,294.2</u>
<b>LIABILITIES, REDEEMABLE NON-CONTROLLING INTEREST AND STOCKHOLDERS' EQUITY</b>			
Current Liabilities:			
Accounts payable	\$ 1,023.8	\$ 1,124.2	\$ 783.9
Accrued expenses	868.7	939.9	751.3
Deferred revenue	46.4	55.8	51.7
Current portion of operating lease liabilities	409.4	421.4	399.0
Short-term borrowings	13.8	—	322.1
Current portion of long-term debt	26.4	41.1	13.6
Total Current Liabilities	<u>2,388.5</u>	<u>2,582.4</u>	<u>2,321.6</u>
Long-Term Portion of Operating Lease Liabilities	1,374.4	1,430.7	1,493.2
Long-Term Debt	3,018.2	3,513.7	2,854.2
Other Liabilities, including deferred taxes of \$452.4, \$418.4 and \$433.7	1,084.7	1,039.8	1,114.2
Redeemable Non-Controlling Interest	(3.6)	(3.4)	(2.4)
Stockholders' Equity:			
Preferred stock, par value \$100 per share; 150,000 total shares authorized	—	—	—
Common stock, par value \$1 per share; 240,000,000 shares authorized; 86,546,242; 86,293,158 and 86,122,983 shares issued	86.5	86.3	86.1
Additional paid in capital - common stock	3,141.3	3,129.4	3,085.2
Retained earnings	3,713.1	3,613.2	3,652.5
Accumulated other comprehensive loss	(512.8)	(519.1)	(733.4)
Less: 15,221,493; 15,133,663 and 15,094,838 shares of common stock held in treasury, at cost	<u>(1,588.7)</u>	<u>(1,579.5)</u>	<u>(1,577.0)</u>
Total Stockholders' Equity	<u>4,839.4</u>	<u>4,730.3</u>	<u>4,513.4</u>
Total Liabilities, Redeemable Non-Controlling Interest and Stockholders' Equity	<u>\$ 12,701.6</u>	<u>\$ 13,293.5</u>	<u>\$ 12,294.2</u>

See accompanying notes.

PVH Corp.  
Consolidated Statements of Cash Flows  
Unaudited  
(In millions)

	Thirteen Weeks Ended	
	May 2, 2021	May 3, 2020
<b>OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 99.7	\$ (1,097.2)
Adjustments to reconcile to net cash used by operating activities:		
Depreciation and amortization	77.6	81.1
Equity in net (income) loss of unconsolidated affiliates	(3.7)	11.2
Deferred taxes	31.3	(127.9)
Stock-based compensation expense	10.7	10.0
Impairment of goodwill and other intangible assets	—	933.5
Impairment of other long-lived assets	28.1	16.0
Other noncash loss, net	—	3.1
Changes in operating assets and liabilities:		
Trade receivables, net	(211.7)	186.5
Other receivables	(5.4)	1.4
Inventories, net	(36.5)	35.8
Accounts payable, accrued expenses and deferred revenue	(168.9)	(262.8)
Prepaid expenses	(9.6)	(1.4)
Other, net	(0.7)	67.9
Net cash used by operating activities	<u>(189.1)</u>	<u>(142.8)</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment	(49.1)	(56.4)
Proceeds from sale of the Speedo North America business	—	169.1
Net cash (used) provided by investing activities	<u>(49.1)</u>	<u>112.7</u>
<b>FINANCING ACTIVITIES</b>		
Net proceeds from short-term borrowings	13.3	272.0
Proceeds from 3 5/8% senior notes, net of related fees	—	186.6
Repayment of 2019 facilities	(503.7)	(3.4)
Net proceeds from settlement of awards under stock plans	1.4	—
Cash dividends	—	(2.7)
Acquisition of treasury shares	(9.2)	(114.8)
Payments of finance lease liabilities	(1.4)	(1.3)
Net cash (used) provided by financing activities	<u>(499.6)</u>	<u>336.4</u>
Effect of exchange rate changes on cash and cash equivalents	(0.4)	(9.0)
(Decrease) increase in cash and cash equivalents	(738.2)	297.3
Cash and cash equivalents at beginning of period	1,651.4	503.4
Cash and cash equivalents at end of period	<u>\$ 913.2</u>	<u>\$ 800.7</u>

See Note 18 for information on Supplemental Cash Flow Information.

See accompanying notes.

PVH Corp.  
Consolidated Statements of Changes in Stockholders' Equity and Redeemable Non-Controlling Interest  
Unaudited  
(In millions, except share and per share data)

Thirteen Weeks Ended May 3, 2020									
Stockholders' Equity									
	Redeemable Non-Controlling Interest	Preferred Stock	Common Stock		Additional Paid In Capital- Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' Equity
			Shares	\$1 par Value					
February 2, 2020	\$ (2.0)	\$ —	85,890,276	\$ 85.9	\$ 3,075.4	\$ 4,753.0	\$ (640.1)	\$ (1,462.7)	\$ 5,811.5
Net loss attributable to PVH Corp.						(1,096.8)			(1,096.8)
Foreign currency translation adjustments							(112.6)		(112.6)
Net unrealized and realized gain related to effective cash flow hedges, net of tax expense of \$4.1							7.8		7.8
Net gain on net investment hedges, net of tax expense of \$3.7							11.5		11.5
Comprehensive loss attributable to PVH Corp.									(1,190.1)
Cumulative-effect adjustment related to the adoption of accounting guidance for credit losses						(1.0)			(1.0)
Settlement of awards under stock plans			232,707	0.2	(0.2)				—
Stock-based compensation expense					10.0				10.0
Cash dividends (\$0.0375 per common share)						(2.7)			(2.7)
Acquisition of 1,497,725 treasury shares								(114.3)	(114.3)
Net loss attributable to redeemable non-controlling interest	(0.4)								
May 3, 2020	\$ (2.4)	\$ —	86,122,983	\$ 86.1	\$ 3,085.2	\$ 3,652.5	\$ (733.4)	\$ (1,577.0)	\$ 4,513.4

Thirteen Weeks Ended May 2, 2021									
Stockholders' Equity									
	Redeemable Non-Controlling Interest	Preferred Stock	Common Stock		Additional Paid In Capital- Common Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' Equity
			Shares	\$1 par Value					
January 31, 2021	\$ (3.4)	\$ —	86,293,158	\$ 86.3	\$ 3,129.4	\$ 3,613.2	\$ (519.1)	\$ (1,579.5)	\$ 4,730.3
Net income attributable to PVH Corp.						99.9			99.9
Foreign currency translation adjustments							(6.5)		(6.5)
Net unrealized and realized gain related to effective cash flow hedges, net of tax expense of \$1.2							8.3		8.3
Net gain on net investment hedges, net of tax expense of \$1.5							4.5		4.5
Comprehensive income attributable to PVH Corp.									106.2
Settlement of awards under stock plans			253,084	0.2	1.2				1.4
Stock-based compensation expense					10.7				10.7
Acquisition of 87,830 treasury shares								(9.2)	(9.2)
Net loss attributable to redeemable non-controlling interest	(0.2)								
May 2, 2021	\$ (3.6)	\$ —	86,546,242	\$ 86.5	\$ 3,141.3	\$ 3,713.1	\$ (512.8)	\$ (1,588.7)	\$ 4,839.4

See accompanying notes.



## 1. GENERAL

PVH Corp. and its consolidated subsidiaries (collectively, the “Company”) constitute a global apparel company with a brand portfolio consisting of nationally and internationally recognized trademarks, including *TOMMY HILFINGER*, *Calvin Klein*, *Van Heusen*, *IZOD*, *ARROW*, *Warner’s*, *Olga*, *True&Co.* and *Geoffrey Beene*, which are owned, as well as various other owned, licensed and, to a lesser extent, private label brands. The Company designs and markets branded sportswear (casual apparel), jeanswear, performance apparel, intimate apparel, underwear, swimwear, dress shirts, neckwear, handbags, accessories, footwear and other related products and licenses its owned brands globally over a broad array of product categories and for use in numerous discrete jurisdictions. References to the aforementioned and other brand names are to registered and common law trademarks owned by the Company or licensed to the Company by third parties and are identified by italicizing the brand name.

The Company also licensed *Speedo* for North America and the Caribbean until April 6, 2020, on which date the Company completed the sale of its *Speedo* North America business to Pentland Group PLC (“Pentland”), the parent company of the *Speedo* brand (the “*Speedo* transaction”). Upon the closing of the transaction, the Company deconsolidated the net assets of the *Speedo* North America business and no longer licensed the *Speedo* trademark.

The consolidated financial statements include the accounts of the Company. Intercompany accounts and transactions have been eliminated in consolidation. Investments in entities that the Company does not control but has the ability to exercise significant influence over are accounted for using the equity method of accounting. The Company’s Consolidated Statements of Operations include its proportionate share of the net income or loss of these entities. Please see Note 6, “Investments in Unconsolidated Affiliates,” for further discussion. The Company and Arvind Limited (“Arvind”) have a joint venture in Ethiopia, PVH Arvind Manufacturing Private Limited Company (“PVH Ethiopia”), in which the Company owns a 75% interest. PVH Ethiopia is consolidated and the minority shareholder’s 25% proportionate share of the equity in this joint venture is accounted for as a redeemable non-controlling interest. Please see Note 5, “Redeemable Non-Controlling Interest,” for further discussion.

The Company’s fiscal years are based on the 52-53 week periods ending on the Sunday closest to February 1 and are designated by the calendar year in which the fiscal year commences. References to a year are to the Company’s fiscal year, unless the context requires otherwise.

The accompanying unaudited consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States for interim financial information. Accordingly, they do not contain all disclosures required by accounting principles generally accepted in the United States for complete financial statements. Reference is made to the Company’s audited consolidated financial statements, including the notes thereto, included in the Company’s Annual Report on Form 10-K for the year ended January 31, 2021.

The preparation of the interim financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ materially from these estimates.

The results of operations for the thirteen weeks ended May 2, 2021 and May 3, 2020 are not necessarily indicative of those for a full fiscal year due, in part, to the COVID-19 pandemic and seasonal factors. The data contained in these consolidated financial statements are unaudited and are subject to year-end adjustments. However, in the opinion of management, all known adjustments have been made to present fairly the consolidated operating results for the unaudited periods.

### COVID-19 Pandemic

The COVID-19 pandemic has had, and continues to have, a significant impact on the Company’s business, results of operations, financial condition and cash flows from operations.

The Company’s retail stores have been, and continue to be, impacted by temporary closures, reduced hours and reduced occupancy as a result of the pandemic. Virtually all of the Company’s retail stores were temporarily closed for varying periods of time throughout the first quarter and into the second quarter of 2020, but had reopened by mid-June 2020. During the first quarter of 2021, the Company’s retail stores have continued to face significant pressure as a result of the pandemic, including additional temporary store closures, particularly in Europe, Canada and Japan. In addition, the Company’s North America retail

stores have been, and continue to be, challenged by the lack of international tourists coming to the United States, as stores located in international tourist destinations represent a significant portion of that business.

The Company's brick and mortar wholesale customers and licensing partners also have experienced significant business disruptions as a result of the pandemic, with several of the Company's North America wholesale customers filing for bankruptcy in 2020. The Company's wholesale customers and franchisees globally generally have experienced temporary store closures at the same time as the Company. The elevated inventory levels in their stores as a result of the temporary closures, as well as lower traffic and consumer demand throughout, resulted in a sharp reduction in shipments to these customers in 2020.

In addition, the pandemic has impacted, and continues to impact, the Company's supply chain partners, including third-party manufacturers, logistics providers and other vendors, as well as the supply chains of its licensees. These supply chains have experienced, and may continue to experience in the future, disruptions as a result of closed factories or factories operating with reduced workforce or other logistics constraints due to the impact of the pandemic.

The Company took certain actions during 2020 to preserve its liquidity and strengthen its financial flexibility. The Company suspended share repurchases under its stock repurchase program and suspended its dividend in March 2020. It entered into an amendment to its senior unsecured credit facilities in June 2020 under which it is not permitted to resume share repurchases or payments of dividends until after the relief period (as defined). In addition, the Company took certain other actions starting in the first quarter of 2020 to (i) reduce payroll costs, through temporary furloughs, salary and incentive compensation reductions, decreased working hours and hiring freezes, as well as taking advantage of COVID-related government payroll subsidy programs, primarily in international jurisdictions, (ii) eliminate or reduce expenses in all discretionary spending categories, (iii) reduce rent expense through rent abatements negotiated with landlords for certain of its retail stores affected by temporary closures, (iv) reduce working capital, with a particular focus on tightly managing its inventories, including reducing and cancelling inventory commitments, increasing promotional selling, redeploying basic inventory items to subsequent seasons and consolidating future seasonal collections, as well as extending payment terms with its suppliers and (v) reduce capital expenditures. The Company also announced in July 2020 plans to streamline its North American operations to better align its business with the evolving retail landscape, including (i) a reduction in its office workforce by approximately 450 positions, or 12%, across all three brand businesses and corporate functions, which is expected to result in annual cost savings of approximately \$80 million, and (ii) the exit from its Heritage Brands Retail business by mid-2021. In addition, the Company announced in March 2021 plans to reduce its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures, which are expected to result in annual cost savings of approximately \$60 million.

In April 2020, the Company entered into a \$275.0 million 364-day unsecured revolving credit facility, which was replaced in April 2021 with a new \$275.0 million 364-day facility, and issued an additional €175.0 million principal amount of 3 5/8% senior notes due 2024. In July 2020, the Company issued \$500.0 million principal amount of 4 5/8% senior notes due 2025. Further, in June 2020 the Company amended its senior unsecured credit facilities to provide temporary relief of certain financial covenants under these facilities during future periods. Please see Note 9, "Debt," for further discussion.

The Company also assessed the impacts of the pandemic on the estimates and assumptions used in preparing these consolidated financial statements, including, but not limited to, the allowance for credit losses, inventory reserves, carrying values of goodwill, intangible assets and other long-lived assets, and the effectiveness of hedging instruments. Based on these assessments, the Company recorded pre-tax noncash impairment charges of \$961.8 million in the first quarter of 2020, including \$879.0 million related to goodwill, \$54.5 million related to other intangible assets, \$16.0 million related to store assets and \$12.3 million related to an equity method investment, and recorded increases to its inventory reserves and allowances for credit losses on trade receivables. The Company recorded an additional noncash impairment charge of \$58.7 million related to store assets in the fourth quarter of 2020. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion of the impairments related to goodwill and other intangible assets, Note 12, "Fair Value Measurements," for further discussion of the impairments related to store assets recorded in the first quarter of 2020, and Note 6, "Investments in Unconsolidated Affiliates," for further discussion of the impairment related to an equity method investment.

The estimates and assumptions used in these assessments were based on management's judgment and may be subject to change as new events occur and additional information is received. In particular, there continues to be uncertainty about the impacts of the COVID-19 pandemic on the Company's business and, if economic conditions caused by the pandemic do not recover consistent with management's expectations, the Company's results of operations, financial condition and cash flows from operations may be materially and adversely impacted.

## 2. REVENUE

The Company generates revenue primarily from sales of finished products under its owned trademarks through its wholesale and retail operations. The Company also generates royalty and advertising revenue from licensing the rights to its trademarks to third parties. Revenue is recognized upon the transfer of control of products or services to the Company's customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those products or services.

### Product Sales

The Company generates revenue from the wholesale distribution of its products to traditional retailers (including for sale through their digital commerce sites), pure play digital commerce retailers, franchisees, licensees and distributors. Revenue is recognized upon transfer of control of goods to the customer, which generally occurs when title to goods is passed and risk of loss transfers to the customer. Depending on the contract terms, transfer of control is upon shipment of goods to or upon receipt of goods by the customer. Payment is typically due within 30 to 90 days. The amount of revenue recognized is net of returns, sales allowances and other discounts that the Company offers to its wholesale customers. The Company estimates returns based on an analysis of historical experience and specific customer arrangements and estimates sales allowances and other discounts based on seasonal negotiations, historical experience and an evaluation of current market conditions.

The Company also generates revenue from the retail distribution of its products through its freestanding stores, shop-in-shop/concession locations and digital commerce sites. Revenue is recognized at the point of sale in the stores and shop-in-shop/concession locations and upon estimated time of delivery for sales through the Company's digital commerce sites, at which point control of the products passes to the customer. The amount of revenue recognized is net of returns, which are estimated based on an analysis of historical experience. Costs associated with coupons are recorded as a reduction of revenue at the time of coupon redemption.

The Company excludes from revenue taxes collected from customers and remitted to government authorities related to sales of the Company's products. Shipping and handling costs that are billed to customers are included in net sales.

### Customer Loyalty Programs

The Company uses loyalty programs that offer customers of its retail businesses specified amounts off of future purchases for a specified period of time after certain levels of spending are achieved. Customers that are enrolled in the programs earn loyalty points for each purchase made.

Loyalty points earned under the customer loyalty programs provide the customer a material right to acquire additional products and give rise to the Company having a separate performance obligation. For each transaction where a customer earns loyalty points, the Company allocates revenue between the products purchased and the loyalty points earned based on the relative standalone selling prices. Revenue allocated to loyalty points is recorded as deferred revenue until the loyalty points are redeemed or expire.

### Gift Cards

The Company sells gift cards to customers in its retail stores and on certain of its digital commerce sites. The Company does not charge administrative fees on gift cards nor do they expire. Gift card purchases by a customer are prepayments for products to be provided by the Company in the future and are therefore considered to be performance obligations of the Company. Upon the purchase of a gift card by a customer, the Company records deferred revenue for the cash value of the gift card. Deferred revenue is relieved and revenue is recognized when the gift card is redeemed by the customer. The portion of gift cards that the Company does not expect to be redeemed (referred to as "breakage") is recognized proportionately over the estimated customer redemption period, subject to the constraint that it must be probable that a significant reversal of revenue will not occur, if the Company determines that it does not have a legal obligation to remit the value of such unredeemed gift cards to any jurisdiction.

### License Agreements

The Company generates royalty and advertising revenue from licensing the rights to access its trademarks to third parties, including the Company's joint ventures. The license agreements are generally exclusive to a territory or product category, have terms in excess of one year and, in most cases, include renewal options. In exchange for providing these rights, the license agreements require the licensees to pay the Company a royalty and, in certain agreements, an advertising fee. In both cases, the Company generally receives the greater of (i) a sales-based percentage fee and (ii) a contractual minimum fee for each annual performance period under the license agreement.

In addition to the rights to access its trademarks, the Company provides ongoing support to its licensees over the term of the agreements. As such, the Company's license agreements are licenses of symbolic intellectual property and, therefore, revenue is recognized over time. For license agreements where the sales-based percentage fee exceeds the contractual minimum fee, the Company recognizes revenues as the licensed products are sold as reported to the Company by its licensees. For license agreements where the sales-based percentage fee does not exceed the contractual minimum fee, the Company recognizes the contractual minimum fee as revenue ratably over the contractual period.

Under the terms of the license agreements, payments are generally due quarterly from the licensees. The Company records deferred revenue when amounts are received or receivable from the licensee in advance of the recognition of revenue.

As of May 2, 2021, the contractual minimum fees on the portion of all license agreements not yet satisfied totaled \$1.1 billion, of which the Company expects to recognize \$188.7 million as revenue during the remainder of 2021, \$231.2 million in 2022 and \$688.2 million thereafter.

### Deferred Revenue

Changes in deferred revenue, which primarily relate to customer loyalty programs, gift cards and license agreements for the thirteen weeks ended May 2, 2021 and May 3, 2020 were as follows:

(In millions)	Thirteen Weeks Ended	
	5/2/21	5/3/20
Deferred revenue balance at beginning of period	\$ 55.8	\$ 64.7
Net additions to deferred revenue during the period	31.1	29.6
Reductions in deferred revenue for revenue recognized during the period <sup>(1)</sup>	(40.5)	(42.6)
Deferred revenue balance at end of period	\$ 46.4	\$ 51.7

<sup>(1)</sup> Represents the amount of revenue recognized during the period that was included in the deferred revenue balance at the beginning of the period and does not contemplate revenue recognized from amounts deferred during the period.

The Company also had long-term deferred revenue liabilities included in other liabilities in its Consolidated Balance Sheets of \$12.9 million, \$13.4 million and \$9.7 million as of May 2, 2021, January 31, 2021 and May 3, 2020, respectively.

### Optional Exemptions

The Company elected not to disclose the remaining performance obligations for contracts that have an original expected term of one year or less and expected sales-based percentage fees for the portion of all license agreements not yet satisfied.

Please see Note 19, "Segment Data," for information on the disaggregation of revenue by segment and distribution channel.

### 3. INVENTORIES

Inventories are comprised principally of finished goods and are stated at the lower of cost or net realizable value, except for certain retail inventories in North America that are stated at the lower of cost or market using the retail inventory method. Cost for substantially all wholesale inventories in North America and certain wholesale and retail inventories in Asia is determined using the first-in, first-out method. Cost for all other inventories is determined using the weighted average cost method. The Company reviews current business trends, inventory aging and discontinued merchandise categories to determine adjustments that it estimates will be needed to liquidate existing clearance inventories and record inventories at either the lower of cost or net realizable value or the lower of cost or market using the retail inventory method, as applicable.

#### 4. ACQUISITIONS AND DIVESTITURES

##### Australia Acquisition

The Company acquired on May 31, 2019 the approximately 78% ownership interest in Gazal Corporation Limited (“Gazal”) that it did not already own (the “Australia acquisition”). Prior to the Australia acquisition, the Company and Gazal jointly owned and managed a joint venture, PVH Brands Australia Pty. Limited (“PVH Australia”), with each owning a 50% interest. PVH Australia licensed and operated businesses in Australia, New Zealand and other parts of Oceania under the *TOMMY HILFINGER*, *Calvin Klein* and *Van Heusen* brands, along with other owned and licensed brands. PVH Australia came under the Company’s full control as a result of the acquisition. The Company now operates directly those businesses.

##### *Mandatorily Redeemable Non-Controlling Interest*

Pursuant to the terms of the acquisition agreement, key executives of Gazal and PVH Australia exchanged a portion of their interests in Gazal for approximately 6% of the outstanding shares of the Company’s previously wholly owned subsidiary that acquired 100% of the ownership interests in the Australia business. The Company was obligated to purchase this 6% interest within two years of the acquisition closing in two tranches as follows: tranche 1 – 50% of the shares one year after the closing; and tranche 2 – all remaining shares two years after the closing. The purchase price for the tranche 1 and tranche 2 shares was based on a multiple of the subsidiary’s adjusted earnings before interest, taxes, depreciation and amortization (“EBITDA”) less net debt as of the end of the measurement year, and the multiple varies depending on the level of EBITDA compared to a target.

The Company recognized a liability of \$26.2 million for the fair value of the 6% interest on the date of the acquisition, which was being accounted for as a mandatorily redeemable non-controlling interest. The fair value of the liability was determined using a Monte Carlo simulation model, which utilizes inputs, including the volatility of financial results, in order to model the probability of different outcomes. The Company classified this as a Level 3 fair value measurement due to the use of significant unobservable inputs.

In subsequent periods, the liability for the mandatorily redeemable non-controlling interest was adjusted each reporting period to its redemption value based on conditions that existed as of each subsequent balance sheet date, provided that the liability could not be adjusted below the amount initially recorded at the acquisition date. The Company recorded any such adjustments to the liability in interest expense in the Company’s Consolidated Statements of Operations. The Company recorded a gain of \$3.7 million in interest expense during the thirteen weeks ended May 3, 2020 in connection with the remeasurement of the mandatorily redeemable non-controlling interest, which reflected the negative impact of the COVID-19 pandemic on the subsidiary’s results in the first quarter of 2020 and resulted in a reduction to the liability for the tranche 2 shares.

For the tranche 1 shares, the measurement period ended in 2019. The Company paid the management shareholders an aggregate purchase price of \$17.3 million (based on exchange rates in effect on the payment date) for these shares in June 2020 under the conditions specified in the terms of the acquisition agreement. For the tranche 2 shares, the measurement period ended in 2020 and the Company had accrued a \$24.5 million liability for these shares as of May 2, 2021 (based on exchange rates in effect on that date), which was subsequently paid to the management shareholders in June 2021 under the conditions specified in the terms of the acquisition agreement.

The liability for the mandatorily redeemable non-controlling interest was \$24.5 million, \$24.1 million and \$29.2 million as of May 2, 2021, January 31, 2021 and May 3, 2020, respectively, based on exchange rates in effect on those dates. The following table summarizes the presentation of the liability for the mandatorily redeemable non-controlling interest in the Company's Consolidated Balance Sheets:

(In millions)	Liabilities					
	5/2/21		1/31/21		5/3/20	
	Accrued Expenses	Other Liabilities	Accrued Expenses	Other Liabilities	Accrued Expenses	Other Liabilities
Tranche 1 shares	\$ —	\$ —	\$ —	\$ —	\$ 16.3	\$ —
Tranche 2 shares	24.5	—	24.1	—	—	12.9
Mandatorily redeemable non-controlling interest liability	\$ 24.5	\$ —	\$ 24.1	\$ —	\$ 16.3	\$ 12.9

#### Sale of the Speedo North America Business

The Company entered into a definitive agreement on January 9, 2020 to sell its Speedo North America business to Pentland, the parent company of the *Speedo* brand, for \$170.0 million in cash, subject to a working capital adjustment. The Company classified the assets and liabilities of the Speedo North America business as held for sale in the Company's Consolidated Balance Sheet as of February 2, 2020 and recorded a pre-tax noncash loss of \$142.0 million in the fourth quarter of 2019 (including a \$116.4 million noncash impairment charge related to the *Speedo* perpetual license right) to reduce the carrying value of the Speedo North America business to its estimated fair value, less costs to sell. The estimated fair value, less costs to sell, reflected the amount of consideration the Company expected to receive upon closing of the transaction, inclusive of the working capital adjustment.

The Company completed the sale of its Speedo North America business on April 6, 2020 for net proceeds of \$169.1 million and deconsolidated the net assets of the business. In connection with the closing of the transaction, the Company recorded a pre-tax noncash loss of \$5.9 million in the first quarter of 2020 resulting from the remeasurement of the loss recorded in the fourth quarter of 2019, primarily due to changes to the net assets of the Speedo North America business subsequent to February 2, 2020, based on the terms of the agreement. The loss was recorded in other noncash loss, net in the Company's Consolidated Statement of Operations and included in the Heritage Brands Wholesale segment.

Upon the closing of the transaction, U.S.-based employees who were engaged primarily in the Speedo North America business terminated their employment with the Company. However, the Company retained the liability for any deferred vested benefits earned under its retirement plans. No further benefits are being accrued under the plans and as a result, the Company recognized a gain of \$2.8 million in the first quarter of 2020 with a corresponding decrease to its pension benefit obligation. The gain was included in other noncash loss, net in the Company's Consolidated Statement of Operations. Please see Note 8, "Retirement and Benefit Plans," for further discussion.

#### 5. REDEEMABLE NON-CONTROLLING INTEREST

The Company and Arvind formed PVH Ethiopia, in which the Company owns a 75% interest, during the second quarter of 2016. The Company consolidates PVH Ethiopia in its consolidated financial statements. PVH Ethiopia was formed to operate a manufacturing facility that produces finished products for the Company for distribution primarily in the United States.

The shareholders agreement governing PVH Ethiopia (the "Shareholders Agreement") contains a put option under which Arvind can require the Company to purchase all of its shares in the joint venture during various future periods as specified in the Shareholders Agreement. The first such period immediately precedes the ninth anniversary of PVH Ethiopia's date of incorporation. The Shareholders Agreement also contains call options under which the Company can require Arvind to sell to the Company (i) all or a portion of its shares during various future periods as specified in the Shareholders Agreement; (ii) all of its shares in the event of a change of control of Arvind; or (iii) all of its shares in the event that Arvind ceases to hold at least 10% of the outstanding shares. The Company's first call option referred to in clause (i) immediately follows the fifth anniversary of the date of incorporation of PVH Ethiopia. The put and call prices are the fair market value of the shares on the redemption date based upon a multiple of PVH Ethiopia's EBITDA for the prior 12 months, less PVH Ethiopia's net debt.

The fair value of the redeemable non-controlling interest ("RNCI") as of the date of formation of PVH Ethiopia was \$0.1 million. The carrying amount of the RNCI is adjusted to equal the redemption amount at the end of each reporting period,

provided that this amount at the end of each reporting period cannot be lower than the initial fair value adjusted for the minority shareholder's share of net income or loss. Any adjustment to the redemption amount of the RNCI is determined after attribution of net income or loss of the RNCI and will be recognized immediately in retained earnings of the Company, since it is probable that the RNCI will become redeemable in the future based on the passage of time. The carrying amount of the RNCI as of May 2, 2021 was \$(3.6) million, which was greater than the redemption amount. The carrying amount decreased from \$(3.4) million as of January 31, 2021 as a result of a net loss attributable to the RNCI for the thirteen weeks ended May 2, 2021 of \$(0.2) million. The carrying amount of the RNCI as of May 3, 2020 was \$(2.4) million.

## 6. INVESTMENTS IN UNCONSOLIDATED AFFILIATES

The Company had investments in unconsolidated affiliates of \$159.1 million, \$164.0 million and \$142.1 million as of May 2, 2021, January 31, 2021 and May 3, 2020, respectively. These investments are accounted for under the equity method of accounting and included in other assets in the Company's Consolidated Balance Sheets. The Company received dividends of \$9.2 million from these investments during the thirteen weeks ended May 2, 2021.

The Company owns an economic interest of approximately 8% in Karl Lagerfeld Holding B.V. ("Karl Lagerfeld"). The Company is deemed to have significant influence with respect to this investment and had been accounting for this investment under the equity method of accounting prior to the first quarter of 2020. The Company determined during the first quarter of 2020 that recent and projected business results for Karl Lagerfeld, which included an adverse impact of the COVID-19 pandemic, was an indicator of an other-than-temporary impairment with respect to the Company's investment in Karl Lagerfeld. The Company calculated the fair value of its investment using future operating cash flow projections that were discounted at a rate of 10.9%, which accounted for the relative risks of the estimated future cash flows. The Company classified this as a Level 3 fair value measurement due to the use of significant unobservable inputs. The Company determined the fair value of its investment was lower than its carrying amount as of May 3, 2020, and as a result recorded a noncash other-than-temporary impairment of \$12.3 million during the first quarter of 2020 to fully impair the investment. The impairment was included in equity in net income (loss) of unconsolidated affiliates in the Company's Consolidated Statement of Operations. The impairment charge was recorded in corporate expenses not allocated to any reportable segments, consistent with how the Company has historically recorded its proportionate share of the net income or loss of its investment in Karl Lagerfeld. Following the impairment of its investment in Karl Lagerfeld, the Company discontinued applying the equity method of accounting to this investment and will not record its share of net income or losses from Karl Lagerfeld in the Company's consolidated financial statements until such time that the Company's share of net income from Karl Lagerfeld equals the share of net losses that were not recognized during the period the equity method was discontinued.

## 7. GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill for the thirteen weeks ended May 2, 2021, by segment (please see Note 19, "Segment Data," for further discussion of the Company's reportable segments), were as follows:

(In millions)	Calvin Klein North America	Calvin Klein International	Tommy Hilfiger North America	Tommy Hilfiger International	Heritage Brands Wholesale	Heritage Brands Retail	Total
Balance as of January 31, 2021							
Goodwill, gross	\$ 781.8	\$ 902.8	\$ 203.0	\$ 1,748.0	\$ 197.7	\$ 11.9	\$ 3,845.2
Accumulated impairment losses	(287.3)	(394.0)	—	—	(197.7)	(11.9)	(890.9)
Goodwill, net	494.5	508.8	203.0	1,748.0	—	—	2,954.3
Currency translation	0.2	(0.4)	—	(6.7)	—	—	(6.9)
Balance as of May 2, 2021							
Goodwill, gross	782.0	902.4	203.0	1,741.3	197.7	11.9	3,838.3
Accumulated impairment losses	(287.3)	(394.0)	—	—	(197.7)	(11.9)	(890.9)
Goodwill, net	\$ 494.7	\$ 508.4	\$ 203.0	\$ 1,741.3	\$ —	\$ —	\$ 2,947.4

The Company assesses the recoverability of goodwill and other indefinite-lived intangible assets annually, at the beginning of the third quarter of each fiscal year, and between annual tests if an event occurs or circumstances change that would indicate that it is more likely than not that the carrying amount may be impaired. Impairment testing for goodwill is done at the reporting unit level. Impairment testing for other indefinite-lived intangible assets is done at the individual asset level.

Intangible assets with finite lives are amortized over their estimated useful life and are tested for impairment, along with other long-lived assets, when events and circumstances indicate that the assets might be impaired. Indefinite-lived intangible assets and intangible assets with finite lives are tested for impairment prior to assessing the recoverability of goodwill. Please see Note 1, “Summary of Significant Accounting Policies,” in the Notes to Consolidated Financial Statements included in Item 8 of the Company’s Annual Report on Form 10-K for the year ended January 31, 2021 for discussion of the Company’s goodwill and other intangible assets impairment testing process.

The Company determined in the first quarter of 2020 that the significant adverse impact of the COVID-19 pandemic on the Company’s business, including an unprecedented material decline in revenue and earnings and an extended decline in the Company’s stock price and associated market capitalization, was a triggering event that required the Company to perform a quantitative interim goodwill impairment test. As a result of the interim test performed, the Company recorded \$879.0 million of noncash impairment charges in the first quarter of 2020, which were included in goodwill and other intangible asset impairments in the Company’s Consolidated Statement of Operations and allocated to the Company’s segments as follows: \$197.7 million in the Heritage Brands Wholesale segment, \$287.3 million in the Calvin Klein North America segment, and \$394.0 million in the Calvin Klein International segment. Please see Note 7, “Goodwill and Other Intangible Assets,” in the Notes to Consolidated Financial Statements included in Item 8 of the Company’s Annual Report on Form 10-K for the year ended January 31, 2021 for further discussion of these impairment charges. The Company recorded no further impairments of goodwill in 2020.

The Company also determined in the first quarter of 2020 that the impact of the COVID-19 pandemic on its business was a triggering event that prompted the need to perform interim impairment testing of its intangible assets. As a result of the interim test performed, the Company recorded \$47.2 million of noncash impairment charges related to indefinite-lived intangible assets and \$7.3 million of noncash impairment charges related to finite-lived intangible assets in the first quarter of 2020, which were included in goodwill and other intangible asset impairments in the Company’s Consolidated Statement of Operations and allocated to the Company’s segments as follows: \$51.9 million in the Heritage Brands Wholesale segment and \$2.6 million in the Calvin Klein North America segment. Please see Note 7, “Goodwill and Other Intangible Assets,” in the Notes to Consolidated Financial Statements included in Item 8 of the Company’s Annual Report on Form 10-K for the year ended January 31, 2021 for further discussion of these impairment charges. The Company recorded no further impairments of indefinite-lived intangible assets or finite-lived intangible assets in 2020.

There have been no significant events or change in circumstances during the first quarter of 2021 that would indicate the remaining carrying amount of the Company’s goodwill, indefinite-lived intangible assets and intangible assets with finite lives may be impaired as of May 2, 2021. There continues to be uncertainty about the impacts of the COVID-19 pandemic on the Company’s business. If economic conditions caused by the pandemic do not recover as currently estimated by management or market factors utilized in the impairment analysis deteriorate, the Company could incur additional goodwill and other intangible asset impairment charges in the future.

## 8. RETIREMENT AND BENEFIT PLANS

The Company, as of May 2, 2021, has two noncontributory qualified defined benefit pension plans covering substantially all employees resident in the United States who meet certain age and service requirements. The plans provide monthly benefits upon retirement generally based on career average compensation and years of credited service. The plans also provide participants with the option to receive their benefits in the form of lump sum payments. Vesting in plan benefits generally occurs after five years of service. The Company refers to these two plans as its “Pension Plans.”

The Company also has three noncontributory unfunded non-qualified supplemental defined benefit pension plans, including:

- A plan for certain former members of Tommy Hilfiger’s domestic senior management. The plan is frozen and, as a result, participants do not accrue additional benefits.
- A capital accumulation program for certain senior executives (Mr. Chirico, the Company’s Chairman and former Chief Executive Officer, is the only actively employed participant in this program). Under the individual participants’ agreements, the participants in the program will receive a predetermined amount during the ten years following the attainment of age 65, provided that prior to the termination of employment with the Company, the participant has been in the plan for at least ten years and has attained age 55.
- A plan for certain employees resident in the United States who meet certain age and service requirements that provides benefits for compensation in excess of Internal Revenue Service earnings limits and requires payments to vested employees upon, or shortly after, employment termination or retirement.

The Company refers to these three plans as its “SERP Plans.”



The components of net benefit cost recognized were as follows:

(In millions)	Pension Plans		SERP Plans	
	Thirteen Weeks Ended		Thirteen Weeks Ended	
	5/2/21	5/3/20	5/2/21	5/3/20
Service cost	\$ 10.4	\$ 11.1	\$ 1.4	\$ 1.9
Interest cost	6.2	6.4	0.9	0.9
Expected return on plan assets	(11.1)	(10.9)	—	—
Speedo deconsolidation gain	—	(2.2)	—	(0.6)
<b>Total</b>	<b>\$ 5.5</b>	<b>\$ 4.4</b>	<b>\$ 2.3</b>	<b>\$ 2.2</b>

The Company completed the sale of its Speedo North America business to Pentland in the first quarter of 2020. Upon the closing of the transaction, U.S.-based employees who were engaged primarily in the Speedo North America business terminated their employment with the Company. However, the Company retained the liability for any deferred vested benefits earned under its retirement plans. No further benefits are being accrued under the plans and as a result, the Company recognized a gain of \$2.8 million during the thirteen weeks ended May 3, 2020 with a corresponding decrease to its pension benefit obligation. The gain was included in other noncash loss, net in the Company's Consolidated Statement of Operations. Please see Note 4, "Acquisitions and Divestitures," for further discussion of the sale of the Speedo North America business.

The Company also provides certain postretirement health care and life insurance benefits to certain retirees resident in the United States. As a result of the Company's acquisition of The Warnaco Group, Inc. ("Warnaco"), the Company also provides certain postretirement health care and life insurance benefits to certain Warnaco retirees resident in the United States. Retirees contribute to the cost of the applicable plan, both of which are unfunded and frozen. The Company refers to these two plans as its "Postretirement Plans." Net benefit cost related to the Postretirement Plans was immaterial for the thirteen weeks ended May 2, 2021 and May 3, 2020.

The components of net benefit cost are recorded in the Company's Consolidated Statements of Operations as follows: (i) the service cost component is recorded in selling, general and administrative ("SG&A") expenses, (ii) the Speedo deconsolidation gain component is recorded in other noncash loss, net, and (iii) the other components are recorded in non-service related pension and postretirement income.

Currently, the Company does not expect to make material contributions to the Pension Plans in 2021. The Company's actual contributions may differ from planned contributions due to many factors, including changes in tax and other laws, as well as significant differences between expected and actual pension asset performance or interest rates.

## 9. DEBT

### Short-Term Borrowings

The Company had \$13.8 million of borrowings outstanding under short-term lines of credit, overdraft facilities and short-term revolving credit facilities denominated in various foreign currencies as of May 2, 2021. The weighted average interest rate on funds borrowed as of May 2, 2021 was 0.18%. These facilities provided for borrowings of up to \$248.9 million based on exchange rates in effect on May 2, 2021 and are utilized primarily to fund working capital needs. The maximum amount of borrowings outstanding under these facilities during the thirteen weeks ended May 2, 2021 was \$14.1 million.

### *2021 Unsecured Revolving Credit Facility*

On April 28, 2021, the Company replaced its 364-day \$275.0 million United States dollar-denominated unsecured revolving credit facility, which matured on April 7, 2021 (the "2020 facility"), with a new 364-day \$275.0 million United States dollar-denominated unsecured revolving credit facility (the "2021 facility"). The 2021 facility will mature on April 27, 2022. The Company incurred \$0.9 million of debt issuance costs in connection with the transaction, which are being amortized over the term of the debt agreement. The Company had no borrowings outstanding under these facilities during the thirteen weeks ended May 2, 2021.

The borrowings under the 2021 facility bear interest at variable rates calculated in a manner consistent with the 2020 facility. The current applicable margin with respect to the borrowings is 1.625% for adjusted Eurocurrency rate loans and 0.625% for base rate loans, which reflects an additional 0.25% during the relief period (as defined below in the section entitled “2019 Senior Unsecured Credit Facilities”). The applicable margin for borrowings is subject to adjustment (i) after the date of delivery of the compliance certificate and financial statements, with respect to each of the Company’s fiscal quarters, based upon the Company’s net leverage ratio, except during the relief period (as defined below in the section entitled “2019 Senior Unsecured Credit Facilities”), or (ii) after the date of delivery of notice of a change in the Company’s public debt rating by Standard & Poor’s or Moody’s.

The 2021 facility is subject to other terms and conditions and financial and non-financial covenants consistent with the 2020 facility. Please see Note 8, “Debt,” in the Notes to the Consolidated Financial Statements included in Item 8 of the Company’s Annual Report on Form 10-K for the year ended January 31, 2021 for further discussion of the 2020 facility.

### Long-Term Debt

The carrying amounts of the Company’s long-term debt were as follows:

(In millions)	5/2/21	1/31/21	5/3/20
Senior unsecured Term Loan A facilities due 2024 <sup>(1)(2)</sup>	\$ 1,103.3	\$ 1,608.6	\$ 1,558.4
7 3/4% debentures due 2023	99.8	99.8	99.7
3 5/8% senior unsecured euro notes due 2024 <sup>(2)</sup>	628.7	631.0	564.3
4 5/8% senior unsecured notes due 2025	494.8	494.5	—
3 1/8% senior unsecured euro notes due 2027 <sup>(2)</sup>	718.0	720.9	645.4
Total	3,044.6	3,554.8	2,867.8
Less: Current portion of long-term debt	26.4	41.1	13.6
Long-term debt	<u>\$ 3,018.2</u>	<u>\$ 3,513.7</u>	<u>\$ 2,854.2</u>

<sup>(1)</sup> The outstanding principal balance for the United States dollar-denominated Term Loan A facility and the euro-denominated Term Loan A facility was \$529.6 million and €478.1 million, respectively, as of May 2, 2021.

<sup>(2)</sup> The carrying amount of the euro-denominated Term Loan A facility and the senior unsecured euro notes includes the impact of changes in the exchange rate of the United States dollar against the euro.

Please see Note 12, “Fair Value Measurements,” for the fair value of the Company’s long-term debt as of May 2, 2021, January 31, 2021 and May 3, 2020.

The Company’s mandatory long-term debt repayments for the remainder of 2021 through 2026 were as follows as of May 2, 2021:

(In millions)	
<u>Fiscal Year</u>	<u>Amount</u> <sup>(1)</sup>
Remainder of 2021	\$ 18.9
2022	37.8
2023	145.3
2024	1,639.6
2025	500.0
2026	—

<sup>(1)</sup> A portion of the Company’s mandatory long-term debt repayments are denominated in euros and subject to changes in the exchange rate of the United States dollar against the euro.

Total debt repayments for the remainder of 2021 through 2026 exceed the total carrying amount of the Company’s Term Loan A facilities, 7 3/4% debentures due 2023, 3 5/8% senior euro notes due 2024 and 4 5/8% senior notes due 2025 as of May 2, 2021 because the carrying amount reflects the unamortized portions of debt issuance costs and the original issue discounts.

As of May 2, 2021, after taking into account the effect of the Company's interest rate swap agreements discussed in the section entitled "2019 Senior Unsecured Credit Facilities," which were in effect as of such date, approximately 75% of the Company's long-term debt had fixed interest rates, with the remainder at variable interest rates.

#### 2019 Senior Unsecured Credit Facilities

The Company has senior unsecured credit facilities due April 29, 2024 (the "2019 facilities") that consist of a \$1,093.2 million United States dollar-denominated Term Loan A facility (the "USD TLA facility"), a €500.0 million euro-denominated Term Loan A facility (the "Euro TLA facility" and together with the USD TLA facility, the "TLA facilities") and senior unsecured revolving credit facilities consisting of (i) a \$675.0 million United States dollar-denominated revolving credit facility, (ii) a CAD \$70.0 million Canadian dollar-denominated revolving credit facility available in United States dollars or Canadian dollars, (iii) a €200.0 million euro-denominated revolving credit facility available in euro, British pound sterling, Japanese yen, Swiss francs, Australian dollars and other agreed foreign currencies and (iv) a \$50.0 million United States dollar-denominated revolving credit facility available in United States dollars or Hong Kong dollars. Borrowings under the 2019 facilities bear interest at variable rates calculated in the manner set forth in the terms of the 2019 facilities.

The Company had loans outstanding of \$1,103.3 million, net of debt issuance costs and based on applicable exchange rates, under the TLA facilities, no borrowings outstanding under the senior unsecured revolving credit facilities and \$17.7 million of outstanding letters of credit under the senior unsecured revolving credit facilities as of May 2, 2021.

The Company made payments totaling \$503.7 million and \$3.4 million on its term loans under the 2019 facilities during the thirteen weeks ended May 2, 2021 and May 3, 2020, respectively.

The current applicable margin with respect to the TLA facilities and each revolving credit facility as of May 2, 2021 was 1.625% for adjusted Eurocurrency rate loans and 0.625% for base rate or Canadian prime rate loans, which reflects an increase of 0.25% as set forth in the June 2020 Amendment (as defined below). The applicable margin for borrowings under the TLA facilities and the revolving credit facilities is subject to adjustment (i) after the date of delivery of the compliance certificate and financial statements, with respect to each of the Company's fiscal quarters, based upon the Company's net leverage ratio, except during the relief period (as defined below), or (ii) after the date of delivery of notice of a change in the Company's public debt rating by Standard & Poor's or Moody's.

The Company entered into interest rate swap agreements designed with the intended effect of converting notional amounts of its variable rate debt obligation to fixed rate debt. Under the terms of the agreements, for the outstanding notional amount, the Company's exposure to fluctuations in the one-month London interbank offered rate ("LIBOR") is eliminated and the Company pays a fixed rate plus the current applicable margin. The following interest rate swap agreements were entered into or in effect during the thirteen weeks ended May 2, 2021 and/or May 3, 2020:

(In millions)

Designation Date	Commencement Date	Initial Notional Amount	Notional Amount Outstanding as of May 2, 2021	Fixed Rate	Expiration Date
March 2020	February 2021	\$ 50.0	\$ 50.0	0.562%	February 2023
February 2020	February 2021	50.0	50.0	1.1625%	February 2023
February 2020	February 2020	50.0	50.0	1.2575%	February 2023
August 2019	February 2020	50.0	50.0	1.1975%	February 2022
June 2019	February 2020	50.0	50.0	1.409%	February 2022
June 2019	June 2019	50.0	50.0	1.719%	July 2021
January 2019	February 2020	50.0	—	2.4187%	February 2021
November 2018	February 2019	139.2	—	2.8645%	February 2021
October 2018	February 2019	115.7	—	2.9975%	February 2021
June 2018	August 2018	50.0	—	2.6825%	February 2021
June 2017	February 2018	306.5	—	1.566%	February 2020

The 2019 facilities require the Company to comply with customary affirmative, negative and financial covenants, including a minimum interest coverage ratio and a maximum net leverage ratio. A breach of any of these operating or financial covenants would result in a default under the 2019 facilities. If an event of default occurs and is continuing, the lenders could elect to declare all amounts then outstanding, together with accrued interest, to be immediately due and payable, which would result in acceleration of the Company's other debt. Given the disruption to the Company's business caused by the COVID-19 pandemic and to ensure financial flexibility, the Company amended these facilities in June 2020 to provide temporary relief of certain financial covenants until the date on which a compliance certificate is delivered for the second quarter of 2021 (the "relief period") unless the Company elects earlier to terminate the relief period and satisfies the conditions for doing so (the "June 2020 Amendment"). The June 2020 Amendment provides for the following during the relief period, among other things, the (i) suspension of compliance with the maximum net leverage ratio through and including the first quarter of 2021, (ii) suspension of the minimum interest coverage ratio through and including the first quarter of 2021, (iii) addition of a minimum liquidity covenant of \$400.0 million, (iv) addition of a restricted payment covenant and (v) imposition of stricter limitations on the incurrence of indebtedness and liens. The limitation on restricted payments requires that the Company suspend payments of dividends on its common stock and purchases of shares under its stock repurchase program during the relief period. The June 2020 Amendment also provides that during the relief period the applicable margin will be increased 0.25%. In addition, under the June 2020 Amendment, in the event there is a specified credit ratings downgrade by Standard & Poor's and Moody's during the relief period (as set forth in the June 2020 Amendment), within 120 days thereafter (i) the Company must cause each of its wholly owned United States subsidiaries (subject to certain customary exceptions) to become a guarantor under the 2019 facilities and (ii) the Company and each subsidiary guarantor will be required to grant liens in favor of the collateral agent on substantially all of their respective assets (subject to customary exceptions). As of May 2, 2021, the Company was in compliance with all applicable financial and non-financial covenants (as amended) under these facilities.

The Company expects to maintain compliance with the financial covenants (as amended) under the 2019 facilities based on its current forecasts. If the impacts of the COVID-19 pandemic on the Company's business worsen and its earnings and operating cash flows do not recover as currently estimated by management, there can be no assurance that the Company will be able to maintain compliance with these financial covenants (as amended) in the future. There can be no assurance that the Company would be able to obtain future waivers in a timely manner, on terms acceptable to the Company, or at all. If the Company was not able to maintain compliance or obtain a future covenant waiver under the 2019 facilities, there can be no assurance that the Company would be able to raise sufficient debt or equity capital, or divest assets, to refinance or repay such facilities.

### 7 3/4% Debentures Due 2023

The Company has outstanding \$100.0 million of debentures due November 15, 2023 that accrue interest at the rate of 7 3/4%. The debentures are not redeemable at the Company's option prior to maturity.

### 3 5/8% Euro Senior Notes Due 2024

The Company has outstanding €525.0 million principal amount of 3 5/8% senior notes due July 15, 2024, of which €175.0 million principal amount was issued on April 24, 2020. The Company paid €2.8 million (\$3.0 million based on exchange rates in effect on the payment date) of fees in connection with the issuance of the additional €175.0 million notes, which are being amortized over the term of the notes. The Company may redeem some or all of these notes at any time prior to April 15, 2024 by paying a "make whole" premium plus any accrued and unpaid interest. In addition, the Company may redeem some or all of these notes on or after April 15, 2024 at their principal amount plus any accrued and unpaid interest.

### 4 5/8% Senior Notes Due 2025

The Company issued on July 10, 2020, \$500.0 million principal amount of 4 5/8% senior notes due July 10, 2025. The Company paid \$6.2 million of fees in connection with the issuance of the notes, which are being amortized over the term of the notes. The Company may redeem some or all of these notes at any time prior to June 10, 2025 by paying a "make whole" premium plus any accrued and unpaid interest. In addition, the Company may redeem some or all of these notes on or after June 10, 2025 at their principal amount plus any accrued and unpaid interest.

### 3 1/8% Euro Senior Notes Due 2027

The Company has outstanding €600.0 million principal amount of 3 1/8% senior notes due December 15, 2027. The Company may redeem some or all of these notes at any time prior to September 15, 2027 by paying a "make whole" premium plus any accrued and unpaid interest. In addition, the Company may redeem some or all of these notes on or after September 15, 2027 at their principal amount plus any accrued and unpaid interest.

The Company's financing arrangements contain financial and non-financial covenants and customary events of default. As of May 2, 2021, the Company was in compliance with all applicable financial and non-financial covenants under its financing arrangements.

The Company also has standby letters of credit outside of its 2019 facilities primarily to collateralize the Company's insurance and lease obligations. The Company had \$49.7 million of these standby letters of credit outstanding as of May 2, 2021.

Please see Note 8, "Debt," in the Notes to Consolidated Financial Statements included in Item 8 of the Company's Annual Report on Form 10-K for the year ended January 31, 2021 for further discussion of the Company's debt.

## 10. INCOME TAXES

The effective income tax rates for the thirteen weeks ended May 2, 2021 and May 3, 2020 were 40.7% and 11.5%, respectively. The effective income tax rate for the thirteen weeks ended May 2, 2021 reflected a \$68.3 million income tax expense recorded on \$168.0 million of pre-tax income. The effective income tax rate for the thirteen weeks ended May 3, 2020 reflected a \$(142.4) million income tax benefit recorded on \$(1,239.6) million of pre-tax losses.

The effective income tax rate for the thirteen weeks ended May 2, 2021 was higher than the United States statutory income tax rate primarily due to the tax on foreign earnings in excess of a deemed return on tangible assets of foreign corporations (known as "GILTI") and the mix of foreign and domestic pre-tax results.

The effective income tax rate for the thirteen weeks ended May 3, 2020 was lower than the United States statutory income tax rate primarily due the impact of the \$879.0 million of pre-tax goodwill impairment charges recorded during the first quarter of 2020, which were mostly non-deductible for tax purposes and factored into the Company's annualized effective income tax rate, and resulted in a decrease to the Company's effective income tax rate of 10.2%.

The Company files income tax returns in more than 40 international jurisdictions each year. A substantial amount of the Company's earnings are in international jurisdictions, particularly the Netherlands and Hong Kong SAR, where income tax rates, coupled with special rates levied on income from certain of the Company's jurisdictional activities, are lower than the United States statutory income tax rate.

## 11. DERIVATIVE FINANCIAL INSTRUMENTS

### Cash Flow Hedges

The Company has exposure to changes in foreign currency exchange rates related to anticipated cash flows associated with certain international inventory purchases. The Company uses foreign currency forward exchange contracts to hedge against a portion of this exposure.

The Company also has exposure to interest rate volatility related to its term loans under the 2019 facilities, and the 2021 facility. The Company has entered into interest rate swap agreements to hedge against a portion of the exposure related to its term loans under the 2019 facilities. The Company had no borrowings outstanding under the 2021 facility during the thirteen weeks ended May 2, 2021. Please see Note 9, "Debt," for further discussion of the 2019 facilities, the 2021 facility and these agreements.

The Company records the foreign currency forward exchange contracts and interest rate swap agreements at fair value in its Consolidated Balance Sheets and does not net the related assets and liabilities. The foreign currency forward exchange contracts associated with certain international inventory purchases and the interest rate swap agreements are designated as effective hedging instruments (collectively, "cash flow hedges"). The changes in the fair value of the cash flow hedges are recorded in equity as a component of accumulated other comprehensive loss ("AOCL"). No amounts were excluded from effectiveness testing. During the thirteen weeks ended May 3, 2020, the Company dedesignated certain cash flow hedges due to the impacts of the COVID-19 pandemic, which resulted in the release of an immaterial gain from AOCL into the Company's Consolidated Statement of Operations. The Company continues to believe that transactions relating to its other designated cash flow hedges are probable to occur as of May 2, 2021.

### Net Investment Hedges

The Company has exposure to changes in foreign currency exchange rates related to the value of its investments in foreign subsidiaries denominated in a currency other than the United States dollar. To hedge against a portion of this exposure, the Company designated the carrying amounts of its (i) €600.0 million principal amount of 3 1/8% senior notes due 2027 and (ii) €525.0 million principal amount of 3 5/8% senior notes due 2024 (collectively, "foreign currency borrowings"), that were issued by PVH Corp., a U.S.-based entity, as net investment hedges of its investments in certain of its foreign subsidiaries that use the euro as their functional currency. Please see Note 9, "Debt," for further discussion of the Company's foreign currency borrowings.

The Company records the foreign currency borrowings at carrying value in its Consolidated Balance Sheets. The carrying value of the foreign currency borrowings is remeasured at the end of each reporting period to reflect changes in the foreign currency exchange spot rate. Since the foreign currency borrowings are designated as net investment hedges, such remeasurement is recorded in equity as a component of AOCL. The fair value and the carrying value of the foreign currency borrowings designated as net investment hedges were \$1,510.8 million and \$1,346.7 million, respectively, as of May 2, 2021, \$1,514.2 million and \$1,351.9 million, respectively, as of January 31, 2021 and \$1,167.1 million and \$1,209.7 million, respectively, as of May 3, 2020. The Company evaluates the effectiveness of its net investment hedges at inception and at the beginning of each quarter thereafter. No amounts were excluded from effectiveness testing.

### Undesignated Contracts

The Company records immediately in earnings changes in the fair value of hedges that are not designated as effective hedging instruments ("undesignated contracts"), including foreign currency forward exchange contracts related to third party and intercompany transactions, and intercompany loans that are not of a long-term investment nature. Any gains and losses that are immediately recognized in earnings on such contracts are largely offset by the remeasurement of the underlying balances.

The Company does not use derivative or non-derivative financial instruments for trading or speculative purposes. The cash flows from the Company's hedges are presented in the same category in the Company's Consolidated Statements of Cash Flows as the items being hedged.

The following table summarizes the fair value and presentation of the Company's derivative financial instruments in its Consolidated Balance Sheets:

(In millions)	Assets						Liabilities					
	5/2/21		1/31/21		5/3/20		5/2/21		1/31/21		5/3/20	
	Other Current Assets	Other Assets	Other Current Assets	Other Assets	Other Current Assets	Other Assets	Accrued Expenses	Other Liabilities	Accrued Expenses	Other Liabilities	Accrued Expenses	Other Liabilities
Contracts designated as cash flow hedges:												
Foreign currency forward exchange contracts (inventory purchases)	\$ 6.6	\$ 0.1	\$ 1.2	\$ 0.1	\$ 38.7	\$ 2.2	\$ 12.5	\$ 0.6	\$ 29.0	\$ 0.4	\$ 0.8	\$ —
Interest rate swap agreements	—	—	—	—	—	—	2.4	1.0	3.2	1.5	10.8	2.7
Total contracts designated as cash flow hedges	6.6	0.1	1.2	0.1	38.7	2.2	14.9	1.6	32.2	1.9	11.6	2.7
Undesignated contracts:												
Foreign currency forward exchange contracts	2.8	—	2.5	—	1.2	0.3	1.4	—	1.6	—	1.9	—
Total	\$ 9.4	\$ 0.1	\$ 3.7	\$ 0.1	\$ 39.9	\$ 2.5	\$ 16.3	\$ 1.6	\$ 33.8	\$ 1.9	\$ 13.5	\$ 2.7

The notional amount outstanding of foreign currency forward exchange contracts was \$1,268.7 million at May 2, 2021. Such contracts expire principally between May 2021 and October 2022.

The following tables summarize the effect of the Company's hedges designated as cash flow and net investment hedging instruments:

(In millions)	Gain (Loss) Recognized in Other Comprehensive Income (Loss)	
	5/2/21	5/3/20
Thirteen Weeks Ended		
Foreign currency forward exchange contracts (inventory purchases)	\$ 10.2	\$ 21.8
Interest rate swap agreements	0.2	(9.4)
Foreign currency borrowings (net investment hedges)	6.0	15.2
Total	\$ 16.4	\$ 27.6

(In millions)	Amount of Gain (Loss) Reclassified from AOCL into Income (Expense), Consolidated Statements of Operations Location, and Total Amount of Consolidated Statements of Operations Line Item					
	Amount Reclassified		Location	Total Statements of Operations Amount		
	5/2/21	5/3/20		5/2/21	5/3/20	
Thirteen Weeks Ended						
Foreign currency forward exchange contracts (inventory purchases)	\$ 2.0	\$ 2.2	Cost of goods sold	\$ 850.2	\$ 678.1	
Interest rate swap agreements	(1.1)	(1.7)	Interest expense	30.5	22.5	
Total	\$ 0.9	\$ 0.5				

A net loss in AOCL on foreign currency forward exchange contracts at May 2, 2021 of \$29.5 million is estimated to be reclassified in the next 12 months in the Company's Consolidated Statement of Operations to cost of goods sold as the underlying inventory hedged by such forward exchange contracts is sold. In addition, a net loss in AOCL for interest rate swap agreements at May 2, 2021 of \$2.4 million is estimated to be reclassified to interest expense within the next 12 months.

Amounts recognized in AOCL for foreign currency borrowings would be recognized in earnings only upon the sale or substantially complete liquidation of the hedged net investment.

The following table summarizes the effect of the Company's undesignated contracts recognized in SG&A expenses in its Consolidated Statements of Operations:

(In millions)	(Loss) Gain Recognized in (Expense) Income	
	5/2/21	5/3/20
Thirteen Weeks Ended		
Foreign currency forward exchange contracts	\$ (3.6)	\$ 0.6

The Company had no derivative financial instruments with credit risk-related contingent features underlying the related contracts as of May 2, 2021.

## 12. FAIR VALUE MEASUREMENTS

In accordance with accounting principles generally accepted in the United States, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three level hierarchy prioritizes the inputs used to measure fair value as follows:

Level 1 – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 – Observable inputs other than quoted prices included in Level 1, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs derived principally from or corroborated by observable market data.

Level 3 – Unobservable inputs reflecting the Company's own assumptions about the inputs that market participants would use in pricing the asset or liability based on the best information available.

In accordance with the fair value hierarchy described above, the following table shows the fair value of the Company's financial assets and liabilities that are required to be remeasured at fair value on a recurring basis:

(In millions)	5/2/21				1/31/21				5/3/20			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets:</b>												
Foreign currency forward exchange contracts	N/A	\$ 9.5	N/A	\$ 9.5	N/A	\$ 3.8	N/A	\$ 3.8	N/A	\$ 42.4	N/A	\$ 42.4
Interest rate swap agreements	N/A	—	N/A	—	N/A	—	N/A	—	N/A	—	N/A	—
<b>Total Assets</b>	<b>N/A</b>	<b>\$ 9.5</b>	<b>N/A</b>	<b>\$ 9.5</b>	<b>N/A</b>	<b>\$ 3.8</b>	<b>N/A</b>	<b>\$ 3.8</b>	<b>N/A</b>	<b>\$ 42.4</b>	<b>N/A</b>	<b>\$ 42.4</b>
<b>Liabilities:</b>												
Foreign currency forward exchange contracts	N/A	\$ 14.5	N/A	\$ 14.5	N/A	\$ 31.0	N/A	\$ 31.0	N/A	\$ 2.7	N/A	\$ 2.7
Interest rate swap agreements	N/A	3.4	N/A	3.4	N/A	4.7	N/A	4.7	N/A	13.5	N/A	13.5
<b>Total Liabilities</b>	<b>N/A</b>	<b>\$ 17.9</b>	<b>N/A</b>	<b>\$ 17.9</b>	<b>N/A</b>	<b>\$ 35.7</b>	<b>N/A</b>	<b>\$ 35.7</b>	<b>N/A</b>	<b>\$ 16.2</b>	<b>N/A</b>	<b>\$ 16.2</b>

The fair value of the foreign currency forward exchange contracts is measured as the total amount of currency to be purchased, multiplied by the difference between (i) the forward rate as of the period end and (ii) the settlement rate specified in each contract. The fair value of the interest rate swap agreements is based on observable interest rate yield curves and represents the expected discounted cash flows underlying the financial instruments.



There were no transfers between any levels of the fair value hierarchy for any of the Company's fair value measurements.

The Company's non-financial assets, which primarily consist of goodwill, other intangible assets, property, plant and equipment, and operating lease right-of-use assets, are not required to be measured at fair value on a recurring basis, and instead are reported at their carrying amount. However, on a periodic basis whenever events or changes in circumstances indicate that their carrying amount may not be fully recoverable (and at least annually for goodwill and indefinite-lived intangible assets), non-financial assets are assessed for impairment. If the fair value is determined to be lower than the carrying amount, an impairment charge is recorded to write down the asset to its fair value.

The following tables show the fair values of the Company's non-financial assets that were required to be remeasured at fair value on a non-recurring basis during the thirteen weeks ended May 2, 2021 and May 3, 2020, and the total impairments recorded as a result of the remeasurement process:

(In millions)	Fair Value Measurement Using			Fair Value As Of Impairment Date	Total Impairments
	Level 1	Level 2	Level 3		
5/2/21					
Operating lease right-of-use assets	N/A	N/A	\$ —	\$ —	\$ 17.8
Property, plant and equipment, net	N/A	N/A	—	—	10.3
5/3/20					
Property, plant and equipment, net	N/A	N/A	1.1	1.1	16.0
Goodwill	N/A	N/A	652.6	652.6	879.0
Tradenames	N/A	N/A	48.7	48.7	47.2
Other intangible assets, net	N/A	N/A	—	—	7.3
Investments in unconsolidated affiliates	N/A	N/A	—	—	12.3

Operating lease right-of-use assets with a carrying amount of \$17.8 million and property, plant and equipment with a carrying amount of \$10.3 million were written down to a fair value of zero during the thirteen weeks ended May 2, 2021 as a result of actions taken by the Company to reduce its real estate footprint, including reductions in office space. Please see Note 16, "Exit Activity Costs," for further discussion of these restructuring activities. Fair value of the Company's operating lease right-of-use assets was determined based on the discounted cash flows of estimated sublease income using market participant assumptions, which considered the short length of the remaining lease term and current real estate trends and market conditions. Fair value of the Company's property, plant and equipment was determined based on the estimated discounted future cash flows associated with the assets using market participant assumptions.

The \$28.1 million of impairment charges during the thirteen weeks ended May 2, 2021 were included in SG&A expenses in the Company's Consolidated Statement of Operations and recorded in corporate expenses not allocated to any reportable segments.

Property, plant and equipment with a carrying amount of \$17.1 million was written down to a fair value of \$1.1 million during the thirteen weeks ended May 3, 2020, primarily due to the adverse impacts of the COVID-19 pandemic on the Company's retail stores with lease terms expiring by the end of fiscal 2021 with no intention of renewal, including temporary store closures and reduced traffic, occupancy and consumer spending trends. Fair value of the Company's property, plant and equipment was determined based on the estimated discounted future cash flows associated with the assets using sales trends and market participant assumptions.

Goodwill with a carrying amount of \$1,531.6 million was written down to a fair value of \$652.6 million during the thirteen weeks ended May 3, 2020. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

Tradenames with a carrying amount of \$95.9 million were written down to a fair value of \$48.7 million during the thirteen weeks ended May 3, 2020. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

Other intangible assets with a carrying amount of \$7.3 million were written down to a fair value of zero during the thirteen weeks ended May 3, 2020. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.

The Company's equity method investment in Karl Lagerfeld with a carrying amount of \$12.3 million was written down to a fair value of zero during the thirteen weeks ended May 3, 2020. Please see Note 6, "Investments in Unconsolidated Affiliates," for further discussion.

The \$961.8 million of impairment charges during the thirteen weeks ended May 3, 2020 were recorded in the Company's Consolidated Statement of Operations, of which \$933.5 million was included in goodwill and other intangible asset impairments, \$16.0 million was included in SG&A expenses, and \$12.3 million was included in equity in net income (loss) of unconsolidated affiliates. The \$961.8 million of impairment charges were recorded to the Company's segments as follows: \$395.8 million in the Calvin Klein International segment, \$293.1 million in the Calvin Klein North America segment, \$249.6 million in the Heritage Brands Wholesale segment, \$4.1 million in the Tommy Hilfiger North America segment, \$3.8 million in the Heritage Brands Retail segment, \$3.1 million in the Tommy Hilfiger International segment and \$12.3 million was recorded in corporate expenses not allocated to any reportable segments.

The carrying amounts and the fair values of the Company's cash and cash equivalents, short-term borrowings and long-term debt were as follows:

(In millions)	5/2/21		1/31/21		5/3/20	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	\$ 913.2	\$ 913.2	\$ 1,651.4	\$ 1,651.4	\$ 800.7	\$ 800.7
Short-term borrowings	13.8	13.8	—	—	322.1	322.1
Long-term debt (including portion classified as current)	3,044.6	3,289.1	3,554.8	3,806.8	2,867.8	2,759.6

The fair values of cash and cash equivalents and short-term borrowings approximate their carrying amounts due to the short-term nature of these instruments. The Company estimates the fair value of its long-term debt using quoted market prices as of the last business day of the applicable quarter. The Company classifies the measurement of its long-term debt as a Level 1 measurement. The carrying amounts of long-term debt reflect the unamortized portions of debt issuance costs and the original issue discounts.

### 13. STOCK-BASED COMPENSATION

The Company grants stock-based awards under its Stock Incentive Plan (the "Plan"). Shares issued as a result of stock-based compensation transactions generally have been funded with the issuance of new shares of the Company's common stock.

The Company may grant the following types of incentive awards under the Plan: (i) non-qualified stock options ("stock options"); (ii) incentive stock options; (iii) stock appreciation rights; (iv) restricted stock; (v) restricted stock units ("RSUs"); (vi) performance shares; (vii) performance share units ("PSUs"); and (viii) other stock-based awards. Each award granted under the Plan is subject to an award agreement that incorporates, as applicable, the exercise price, the term of the award, the periods of restriction, the number of shares to which the award pertains, performance periods and performance measures, and such other terms and conditions as the plan committee determines. Awards granted under the Plan are classified as equity awards, which are recorded in stockholders' equity in the Company's Consolidated Balance Sheets.

Through May 2, 2021, the Company has granted under the Plan (i) service-based stock options, RSUs and restricted stock; and (ii) contingently issuable PSUs and RSUs. There was no restricted stock or contingently issuable RSUs outstanding as of May 2, 2021.

According to the terms of the Plan, for purposes of determining the number of shares available for grant, each share underlying a stock option award reduces the number available by one share and each share underlying an RSU or PSU award reduces the number available by two shares.

Net income (loss) for the thirteen weeks ended May 2, 2021 and May 3, 2020 included \$10.7 million and \$10.0 million, respectively, of pre-tax expense related to stock-based compensation, with related recognized income tax benefits of \$1.5 million and \$1.4 million, respectively.

The Company receives a tax deduction for certain transactions associated with its stock-based awards. The actual income tax benefits realized from these transactions during the thirteen weeks ended May 2, 2021 and May 3, 2020 were \$3.6 million and

\$1.7 million, respectively. The tax benefits realized included discrete net excess tax deficiencies of \$0.1 million and \$4.5 million recognized in the Company's provision for income taxes during the thirteen weeks ended May 2, 2021 and May 3, 2020, respectively.

### Stock Options

Stock options granted to employees are generally exercisable in four equal annual installments commencing one year after the date of grant. The underlying stock option award agreements generally provide for accelerated vesting upon the award recipient's retirement (as defined in the Plan). Such stock options are granted with a 10-year term and the per share exercise price cannot be less than the closing price of the common stock on the date of grant.

The Company estimates the fair value of stock options at the date of grant using the Black-Scholes-Merton model. The estimated fair value of the stock options granted is expensed over the stock options' vesting periods.

The following summarizes the assumptions used to estimate the fair value of stock options granted during the thirteen weeks ended May 2, 2021 and May 3, 2020 and the resulting weighted average grant date fair value per stock option:

	5/2/21	5/3/20
Weighted average risk-free interest rate	1.24 %	0.53 %
Weighted average expected stock option term (in years)	6.25	6.25
Weighted average Company volatility	47.58 %	44.77 %
Expected annual dividends per share	\$ 0.15	\$ 0.15
Weighted average grant date fair value per stock option	\$ 48.28	\$ 20.14

The risk-free interest rate is based on United States Treasury yields in effect at the date of grant for periods corresponding to the expected stock option term. The expected stock option term represents the weighted average period of time that stock options granted are expected to be outstanding, based on vesting schedules and the contractual term of the stock options. Company volatility is based on the historical volatility of the Company's common stock over a period of time corresponding to the expected stock option term. Expected dividends are based on the anticipated common stock cash dividend rate for the Company at the time of grant; the dividend assumption for the stock options granted during the thirteen weeks ended May 2, 2021 was not affected by the Company's suspension of its cash dividend beginning with the second quarter of 2020 in response to the impacts of the COVID-19 pandemic on its business and as a condition of the June 2020 Amendment, as such suspension is viewed as temporary.

The Company has continued to utilize the simplified method to estimate the expected term for its "plain vanilla" stock options granted due to a lack of relevant historical data resulting, in part, from changes in the pool of employees receiving stock option grants. The Company will continue to evaluate the appropriateness of utilizing such method.

Stock option activity for the thirteen weeks ended May 2, 2021 was as follows:

(In thousands, except per stock option data)	Stock Options	Weighted Average Exercise Price Per Stock Option
Outstanding at January 31, 2021	1,028	\$ 98.23
Granted	96	104.30
Exercised	33	95.11
Cancelled	40	117.29
Outstanding at May 2, 2021	1,051	\$ 98.15
Exercisable at May 2, 2021	657	\$ 107.77

## RSUs

RSUs granted to employees generally vest in four equal annual installments commencing one year after the date of grant, although the Company does make from time to time, and currently has outstanding, RSUs with different vesting schedules. Service-based RSUs granted to non-employee directors vest in full one year after the date of grant. The underlying RSU award agreements for employees generally provide for accelerated vesting upon the award recipient's retirement (as defined in the Plan). The fair value of RSUs is equal to the closing price of the Company's common stock on the date of grant and is expensed over the RSUs' vesting periods.

RSU activity for the thirteen weeks ended May 2, 2021 was as follows:

(In thousands, except per RSU data)	RSUs	Weighted Average Grant Date Fair Value Per RSU
Non-vested at January 31, 2021	1,470	\$ 78.80
Granted	272	104.30
Vested	238	102.93
Cancelled	29	81.60
Non-vested at May 2, 2021	1,475	\$ 79.54

## PSUs

Outstanding contingently issuable PSUs granted to certain of the Company's senior executives are subject to a three-year performance period. For such awards, the final number of shares to be earned, if any, is contingent upon the Company's achievement of goals for the applicable performance period, of which 50% is based upon the Company's absolute stock price growth during the applicable performance period and 50% is based upon the Company's total shareholder return during the applicable performance period relative to other companies included in the S&P 500 as of the date of grant. For awards granted in 2018, the three-year performance period ended during the first quarter of 2021 and holders of the awards did not earn any shares since the market conditions were not satisfied. The Company records expense ratably over the applicable vesting period regardless of whether the market condition is satisfied because the awards are subject to market conditions. The fair value of the awards granted was established for each grant on the grant date using the Monte Carlo simulation model.

The following summarizes the assumptions used to estimate the fair value of PSUs granted during the thirteen weeks ended May 3, 2020 and the resulting weighted average grant date fair value per PSU. No PSUs were granted during the thirteen weeks ended May 2, 2021:

	5/3/20
Weighted average risk-free interest rate	0.20 %
Weighted average Company volatility	48.91 %
Expected annual dividends per share	\$ 0.15
Weighted average grant date fair value per PSU	\$ 58.82

The risk-free interest rate is based on United States Treasury yields in effect at the date of grant for the term corresponding to the three-year performance period. Company volatility is based on the historical volatility of the Company's common stock over a period of time corresponding to the three-year performance period. Expected dividends are based on the anticipated common stock cash dividend rate for the Company at the time of grant.

For certain of the awards granted, the after-tax portion of the award is subject to a holding period of one year after the vesting date. For such awards, the weighted average grant date fair value was discounted 15.05% in 2020 for the restriction of liquidity, which was calculated using the Chaffe model.

PSU activity for the thirteen weeks ended May 2, 2021 was as follows:

(In thousands, except per PSU data)	PSUs	Weighted Average Grant Date Fair Value Per PSU
Non-vested at January 31, 2021	237	\$ 96.48
Granted	—	—
Reduction due to market conditions not satisfied	41	158.97
Vested	—	—
Cancelled	—	—
Non-vested at May 2, 2021	<u>196</u>	<u>\$ 83.30</u>

#### 14. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following tables present the changes in AOCL, net of related taxes, by component for the thirteen weeks ended May 2, 2021 and May 3, 2020:

(In millions)	Foreign currency translation adjustments	Net unrealized and realized (loss) gain on effective cash flow hedges	Total
Balance, January 31, 2021	\$ (481.6)	\$ (37.5)	\$ (519.1)
Other comprehensive (loss) income before reclassifications	(2.0) <sup>(1)(2)</sup>	9.7	7.7
Less: Amounts reclassified from AOCL	—	1.4	1.4
Other comprehensive (loss) income	(2.0)	8.3	6.3
Balance, May 2, 2021	<u>\$ (483.6)</u>	<u>\$ (29.2)</u>	<u>\$ (512.8)</u>

(In millions)	Foreign currency translation adjustments	Net unrealized and realized gain (loss) on effective cash flow hedges	Total
Balance, February 2, 2020	\$ (665.7)	\$ 25.6	\$ (640.1)
Other comprehensive (loss) income before reclassifications	(101.1) <sup>(1)(2)</sup>	8.5	(92.6)
Less: Amounts reclassified from AOCL	—	0.7	0.7
Other comprehensive (loss) income	(101.1)	7.8	(93.3)
Balance, May 3, 2020	<u>\$ (766.8)</u>	<u>\$ 33.4</u>	<u>\$ (733.4)</u>

<sup>(1)</sup> Foreign currency translation adjustments included a net gain on net investment hedges of \$4.5 million and \$11.5 million during the thirteen weeks ended May 2, 2021 and May 3, 2020, respectively.

<sup>(2)</sup> Unfavorable foreign currency translation adjustments were principally driven by a strengthening of the United States dollar against the euro.

The following table presents reclassifications from AOCL to earnings for the thirteen weeks ended May 2, 2021 and May 3, 2020:

(In millions)	Amount Reclassified from AOCL		Affected Line Item in the Company's Consolidated Statements of Operations
	Thirteen Weeks Ended		
	5/2/21	5/3/20	
Realized gain (loss) on effective cash flow hedges:			
Foreign currency forward exchange contracts (inventory purchases)	\$ 2.0	\$ 2.2	Cost of goods sold
Interest rate swap agreements	(1.1)	(1.7)	Interest expense
Less: Tax effect	(0.5)	(0.2)	Income tax expense (benefit)
Total, net of tax	\$ 1.4	\$ 0.7	

## 15. STOCKHOLDERS' EQUITY

### Acquisition of Treasury Shares

The Company's Board of Directors has authorized over time since 2015 an aggregate \$2.0 billion stock repurchase program through June 3, 2023. The program may be modified by the Board of Directors, including to increase or decrease the repurchase limitation or extend, suspend or terminate the program at any time, without prior notice.

The Company suspended share repurchases under the stock repurchase program beginning in March 2020, following the purchase of 1.4 million shares in open market transactions for \$110.7 million completed earlier in the first quarter of 2020, in response to the impacts of the COVID-19 pandemic on its business. In addition, under the terms of the June 2020 Amendment, the Company is not permitted to make share repurchases during the relief period (as defined). Please see Note 9, "Debt," for further discussion. The existing stock repurchase program remains authorized by the Board of Directors and the Company may resume share repurchases after the restrictions under the June 2020 Amendment lapse. As of May 2, 2021, the repurchased shares were held as treasury stock and \$572.6 million of the authorization remained available for future share repurchases.

Repurchases under the program, when it is being used, may be made from time to time over the period through open market purchases, accelerated share repurchase programs, privately negotiated transactions or other methods, as the Company deems appropriate. Purchases are made based on a variety of factors, such as price, corporate requirements and overall market conditions, applicable legal requirements and limitations, trading restrictions under the Company's insider trading policy and other relevant factors.

Treasury stock activity also includes shares that were withheld in conjunction with the settlement of RSUs to satisfy tax withholding requirements.

### Common Stock Dividends

The Company declared a \$0.0375 per share dividend payable to its common stockholders of record as of March 4, 2020, in respect of which the Company made dividend payments totaling \$2.7 million on March 31, 2020. The Company suspended its dividends following the payment of the \$0.0375 per common share dividend on March 31, 2020 in response to the impacts of the COVID-19 pandemic on its business. In addition, under the terms of the June 2020 Amendment, the Company is not permitted to declare or pay dividends during the relief period. Please see Note 9, "Debt," for further discussion.

## 16. EXIT ACTIVITY COSTS

### 2021 Reductions in Workforce and Real Estate Footprint

The Company announced in March 2021 plans to streamline its organization through reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures, which are expected to result in annual cost savings of approximately \$60 million. In connection with these activities, the Company recorded pre-tax costs during the thirteen weeks ended May 2, 2021 and expects to incur total costs as follows:

(In millions)	Total Costs Expected to be Incurred	Costs Incurred During the Thirteen Weeks Ended 5/2/21
Severance, termination benefits and other employee costs	\$ 25.0	\$ 12.2
Long-lived asset impairments	28.1	28.1
Contract termination and other costs	17.0	3.0
Total	<u>\$ 70.1</u>	<u>\$ 43.3</u>

Of the charges incurred during the thirteen weeks ended May 2, 2021, \$1.7 million relate to SG&A expenses of the Tommy Hilfiger North America segment, \$5.7 million relate to SG&A expenses of the Tommy Hilfiger International segment, \$2.1 million relate to SG&A expenses of the Calvin Klein North America segment, \$5.3 million relate to SG&A expenses of the Calvin Klein International segment and \$28.5 million relate to corporate SG&A expenses not allocated to any reportable segment. The Company expects to incur total costs of approximately \$70 million during 2021 in connection with these activities, of which approximately \$2 million is expected to relate to SG&A expenses of the Tommy Hilfiger North America segment, approximately \$24 million is expected to relate to SG&A expenses of the Tommy Hilfiger International segment, approximately \$2 million is expected to relate to SG&A expenses of the Calvin Klein North America segment, approximately \$13 million is expected to relate to SG&A expenses of the Calvin Klein International segment and approximately \$29 million is expected to relate to corporate SG&A expenses not allocated to any reportable segment. Please see Note 19, "Segment Data," for further discussion of the Company's reportable segments.

Please see Note 12, "Fair Value Measurements," for further discussion of the long-lived asset impairments recorded during the thirteen weeks ended May 2, 2021.

The liabilities at May 2, 2021 related to these costs were principally recorded in accrued expenses in the Company's Consolidated Balance Sheet and were as follows:

(In millions)	Liability at 1/31/21	Costs Incurred During the Thirteen Weeks Ended 5/2/21	Costs Paid During the Thirteen Weeks Ended 5/2/21	Liability at 5/2/21
Severance, termination benefits and other employee costs	\$ —	\$ 12.2	\$ —	\$ 12.2
Contract termination and other costs	—	3.0	2.4	0.6
Total	<u>\$ —</u>	<u>\$ 15.2</u>	<u>\$ 2.4</u>	<u>\$ 12.8</u>

### Heritage Brands Retail Exit Costs

The Company announced on July 14, 2020 plans to streamline its North American operations to better align its business with the evolving retail landscape, including the exit from its Heritage Brands Retail business, which as of the date of the announcement consisted of 162 stores in North America, by mid-2021. In connection with the exit from the Heritage Brands Retail business, the Company recorded pre-tax costs during 2020 and the thirteen weeks ended May 2, 2021, and expects to incur total costs as follows:

(In millions)	Total Costs Expected to be Incurred	Costs Incurred During the Thirteen Weeks Ended 5/2/21	Cumulative Costs Incurred to Date
Severance, termination benefits and other employee costs	\$ 24.0	\$ 5.1	\$ 19.7
Long-lived asset impairments	7.2	—	7.2
Accelerated amortization of lease assets	15.8	2.9	10.1
Contract termination and other costs	3.0	—	—
<b>Total</b>	<b>\$ 50.0</b>	<b>\$ 8.0</b>	<b>\$ 37.0</b>

The costs incurred during the thirteen weeks ended May 2, 2021 relate to SG&A expenses of the Heritage Brands Retail segment. The Company expects to incur total costs of approximately \$50 million through the second quarter of 2021 in connection with the exit from the Heritage Brands Retail business, including the \$37.0 million incurred to date. Please see Note 19, “Segment Data,” for further discussion of the Company’s reportable segments.

The liabilities at May 2, 2021 related to these costs were principally recorded in accrued expenses in the Company’s Consolidated Balance Sheet and were as follows:

(In millions)	Liability at 1/31/21	Costs Incurred During the Thirteen Weeks Ended 5/2/21	Costs Paid During the Thirteen Weeks Ended 5/2/21	Liability at 5/2/21
Severance, termination benefits and other employee costs	\$ 12.6	\$ 5.1	\$ 1.9	\$ 15.8

### North America Office Workforce Reduction

The Company also announced on July 14, 2020 a reduction in its North America office workforce by approximately 450 positions, or 12%, across all three brand businesses and corporate functions (the “North America workforce reduction”). In connection with the North America workforce reduction, the Company recorded pre-tax costs of \$39.7 million during 2020, which consisted of severance, termination benefits and other employee costs. All expected costs related to the North America workforce reduction were incurred during 2020.

The liabilities at May 2, 2021 related to these costs were principally recorded in accrued expenses in the Company’s Consolidated Balance Sheet and were as follows:

(In millions)	Liability at 1/31/21	Costs Incurred During the Thirteen Weeks Ended 5/2/21	Costs Paid During the Thirteen Weeks Ended 5/2/21	Liability at 5/2/21
Severance, termination benefits and other employee costs	\$ 11.4	\$ —	\$ 6.5	\$ 4.9



## 17. NET INCOME (LOSS) PER COMMON SHARE

The Company computed its basic and diluted net income (loss) per common share as follows:

(In millions, except per share data)	Thirteen Weeks Ended	
	5/2/21	5/3/20
Net income (loss) attributable to PVH Corp.	\$ 99.9	\$ (1,096.8)
Weighted average common shares outstanding for basic net income (loss) per common share	71.2	71.4
Weighted average impact of dilutive securities	1.2	—
Total shares for diluted net income (loss) per common share	72.4	71.4
Basic net income (loss) per common share attributable to PVH Corp.	\$ 1.40	\$ (15.37)
Diluted net income (loss) per common share attributable to PVH Corp.	\$ 1.38	\$ (15.37)

Potentially dilutive securities excluded from the calculation of diluted net income (loss) per common share as the effect would be anti-dilutive were as follows:

(In millions)	Thirteen Weeks Ended	
	5/2/21	5/3/20
Weighted average potentially dilutive securities	0.7	2.0

Diluted net loss per common share attributable to PVH Corp. for the thirteen weeks ended May 3, 2020 excluded all potentially dilutive securities because there was a net loss attributable to PVH Corp. for the period and, as such, the inclusion of these securities would have been anti-dilutive.

Shares underlying contingently issuable awards that have not met the necessary conditions as of the end of a reporting period are not included in the calculation of diluted net income (loss) per common share for that period. The Company had contingently issuable PSU awards outstanding that did not meet the performance conditions as of May 2, 2021 and May 3, 2020 and, therefore, were excluded from the calculation of diluted net income (loss) per common share for each applicable period. The maximum number of potentially dilutive shares that could be issued upon vesting for such awards was 0.1 million and 0.4 million as of May 2, 2021 and May 3, 2020, respectively. These amounts were also excluded from the computation of weighted average potentially dilutive securities in the table above.

## 18. SUPPLEMENTAL CASH FLOW INFORMATION

### Noncash Investing and Financing Transactions

Omitted from the Company's Consolidated Statements of Cash Flows for the thirteen weeks ended May 2, 2021 and May 3, 2020 were capital expenditures related to property, plant and equipment of \$25.1 million and \$28.7 million, respectively, that were accrued and not yet paid as of the end of the respective periods.

The Company completed the Australia acquisition in the second quarter of 2019. Total acquisition consideration included the issuance to key executives of Gazal and PVH Australia of approximately 6% of the outstanding shares in the subsidiary of the Company that acquired 100% of the ownership interests in the Australia business, for which the Company recognized a \$26.2 million liability on the date of the acquisition. In subsequent periods, the liability was adjusted each reporting period to its redemption value based on conditions that existed as of each subsequent balance sheet date. The Company settled in June 2020 a portion of the liability for the 6% interest issued to key executives of Gazal and PVH Australia under the conditions specified in the terms of the acquisition agreement. The Company had a remaining liability of \$24.5 million as of May 2, 2021 (based on exchange rates in effect on that date), which was subsequently settled in June 2021. Please see Note 4, "Acquisitions and Divestitures," for further discussion of this liability.

Omitted from net proceeds from short-term borrowings in the Company's Consolidated Statements of Cash Flows for the thirteen weeks ended May 2, 2021 and May 3, 2020 were \$0.3 million and \$0.4 million, respectively, of debt issuance costs

incurred in connection with the Company's 2021 facility and 2020 facility, respectively, that were accrued and not yet paid as of the end of the respective periods.

Omitted from proceeds from 3 5/8% senior notes, net of related fees in the Company's Consolidated Statement of Cash Flows for the thirteen weeks ended May 3, 2020 were \$0.7 million of debt issuance costs incurred in connection with the issuance in April 2020 of €175.0 million principal amount of 3 5/8% senior notes due 2024 that were accrued and not yet paid as of May 3, 2020.

#### Lease Transactions

Supplemental cash flow information related to leases was as follows:

(In millions)	Thirteen Weeks Ended	
	5/2/21	5/3/20
<b>Cash paid for amounts included in the measurement of lease liabilities:</b>		
Operating cash flows from operating leases	\$ 120.6	\$ 81.5
Operating cash flows from finance leases	0.1	0.1
Financing cash flows from finance leases	1.4	1.3
<b>Non-cash transactions:</b>		
Right-of-use assets obtained in exchange for new operating lease liabilities	49.6	89.0
Right-of-use assets obtained in exchange for new finance lease liabilities	1.8	1.7

The Company has sought concessions from landlords for certain of its stores affected by temporary closures as a result of the COVID-19 pandemic in the form of rent deferrals or rent abatements. Consistent with updated guidance issued by the Financial Accounting Standards Board ("FASB") in April 2020, the Company elected to treat COVID-19 related rent concessions as though enforceable rights and obligations for those concessions existed in the original contract. As such, rent abatements negotiated with landlords are recorded as a reduction to variable lease expense included in SG&A expenses in the Company's Consolidated Statements of Operations. The Company recorded \$8.6 million and \$12.4 million of rent abatements during the thirteen weeks ended May 2, 2021 and May 3, 2020, respectively. Rent deferrals have no impact to lease expense and amounts deferred and payable in future periods are included in the current portion of operating lease liabilities in the Company's Consolidated Balance Sheet.

#### 19. SEGMENT DATA

The Company manages its operations through its operating divisions, which are presented as six reportable segments: (i) Tommy Hilfiger North America; (ii) Tommy Hilfiger International; (iii) Calvin Klein North America; (iv) Calvin Klein International; (v) Heritage Brands Wholesale; and (vi) Heritage Brands Retail. The Company's Heritage Brands Retail segment will cease operations in mid-2021 following the closure of the last of its directly operated Heritage Brands Retail stores.

*Tommy Hilfiger North America Segment* - This segment consists of the Company's Tommy Hilfiger North America division. This segment derives revenue principally from (i) marketing TOMMY HILFIGER branded apparel and related products at wholesale in the United States and Canada, primarily to department stores, warehouse clubs, and off-price and independent retailers, as well as digital commerce sites operated by department store customers and pure play digital commerce retailers; (ii) operating retail stores, which are primarily located in premium outlet centers in the United States and Canada, and a digital commerce site in the United States, which sells TOMMY HILFIGER branded apparel, accessories and related products; and (iii) licensing and similar arrangements relating to the use by third parties of the TOMMY HILFIGER brand names for a broad range of product categories in North America. This segment also includes the Company's proportionate share of the net income or loss of its investment in its unconsolidated affiliate in Mexico relating to the affiliate's Tommy Hilfiger business and, the Company's proportionate share of the net income or loss of its investment in its unconsolidated PVH Legwear LLC ("PVH Legwear") affiliate relating to the affiliate's Tommy Hilfiger business.

*Tommy Hilfiger International Segment* - This segment consists of the Company's Tommy Hilfiger International division. This segment derives revenue principally from (i) marketing TOMMY HILFIGER branded apparel and related products at wholesale principally in Europe, Asia and Australia, primarily to department and specialty stores, and digital commerce sites operated by department store customers and pure play digital commerce retailers, as well as through distributors and franchisees; (ii) operating retail stores, concession locations and digital commerce sites in Europe, Asia and Australia, which sell TOMMY HILFIGER branded apparel, accessories and related products; and (iii) licensing and similar arrangements relating to the use by

third parties of the *TOMMY HILFIGER* brand names for a broad range of product categories outside of North America. This segment also includes the Company's proportionate share of the net income or loss of its investment in its unconsolidated Tommy Hilfiger affiliate in Brazil and the Company's proportionate share of the net income or loss of its investment in its unconsolidated affiliate in India relating to the affiliates' Tommy Hilfiger business.

*Calvin Klein North America Segment* - This segment consists of the Company's Calvin Klein North America division. This segment derives revenue principally from (i) marketing *Calvin Klein* branded apparel and related products at wholesale in the United States and Canada, primarily to warehouse clubs, department and specialty stores, and off-price and independent retailers, as well as digital commerce sites operated by department store customers and pure play digital commerce retailers; (ii) operating retail stores, which are primarily located in premium outlet centers in the United States and Canada, and a digital commerce site in the United States, which sells *Calvin Klein* branded apparel, accessories and related products; and (iii) licensing and similar arrangements relating to the use by third parties of the *Calvin Klein* brand names for a broad range of product categories in North America. This segment also includes the Company's proportionate share of the net income or loss of its investment in its unconsolidated affiliate in Mexico relating to the affiliate's Calvin Klein business and the Company's proportionate share of the net income or loss of its investment in its unconsolidated PVH Legwear affiliate relating to the affiliate's Calvin Klein business.

*Calvin Klein International Segment* - This segment consists of the Company's Calvin Klein International division. This segment derives revenue principally from (i) marketing *Calvin Klein* branded apparel and related products at wholesale principally in Europe, Asia, Brazil and Australia, primarily to department and specialty stores, and digital commerce sites operated by department store customers and pure play digital commerce retailers, as well as through distributors and franchisees; (ii) operating retail stores, concession locations and digital commerce sites in Europe, Asia, Brazil and Australia, which sell *Calvin Klein* branded apparel, accessories and related products; and (iii) licensing and similar arrangements relating to the use by third parties of the *Calvin Klein* brand names for a broad range of product categories outside of North America. This segment also includes the Company's proportionate share of the net income or loss of its investment in its unconsolidated affiliate in India relating to the affiliate's Calvin Klein business.

*Heritage Brands Wholesale Segment* - This segment consists of the Company's Heritage Brands Wholesale division. This segment derives revenue primarily from the marketing to department, chain and specialty stores, warehouse clubs, mass market, and off-price retailers (in stores and online), as well as pure play digital commerce retailers in North America of (i) men's dress shirts and neckwear under various owned and licensed brand names, and to a lesser extent, private label brands; (ii) men's sportswear, bottoms and outerwear principally under the brand names *Van Heusen*, *IZOD* and *ARROW*; (iii) women's intimate apparel under the *Warner's*, *Olga* and *True&Co.* brands; and (iv) swimwear and swim-related products and accessories under the *Speedo* trademark until April 6, 2020 when the Company completed the sale of its Speedo North America business to Pentland. Please see Note 4, "Acquisitions and Divestitures," for further discussion. This segment also derives revenue from Company operated digital commerce sites in the United States for *Van Heusen*, *IZOD* and, until April 6, 2020, *Speedo*. In addition, this segment derives revenue from the Heritage Brands business in Australia. As well, this segment includes the Company's proportionate share of the net income or loss of its investment in its unconsolidated affiliate in Mexico relating to the affiliate's Heritage Brands business and the Company's proportionate share of the net income or loss of its investment in its unconsolidated PVH Legwear affiliate relating to the affiliate's Heritage Brands business.

*Heritage Brands Retail Segment* - This segment consists of the Company's Heritage Brands Retail division. This segment derives revenue principally from operating retail stores, primarily located in outlet centers throughout the United States and Canada, which primarily sell apparel, accessories and related products. The Company announced in July 2020 a plan to exit its Heritage Brands Retail business, which will result in the closing of 162 heritage brand stores by mid-2021. Approximately 50 of these stores had been closed as of May 2, 2021. The Company's Heritage Brands Retail segment will cease operations following these closures. Please see Note 16, "Exit Activity Costs," for further discussion.

The Company's revenue by segment was as follows:

(In millions)	Thirteen Weeks Ended	
	5/2/21	5/3/20
Revenue – Tommy Hilfiger North America		
Net sales	\$ 204.7	\$ 161.1
Royalty revenue	17.6	16.8
Advertising and other revenue	4.5	3.4
Total	226.8	181.3
Revenue – Tommy Hilfiger International		
Net sales	810.0	453.9
Royalty revenue	12.9	8.8
Advertising and other revenue	4.0	2.5
Total	826.9	465.2
Revenue – Calvin Klein North America		
Net sales	206.0	163.9
Royalty revenue	31.7	25.1
Advertising and other revenue	10.5	7.1
Total	248.2	196.1
Revenue – Calvin Klein International		
Net sales	525.0	262.3
Royalty revenue	10.5	14.2
Advertising and other revenue	1.5	4.0
Total	537.0	280.5
Revenue – Heritage Brands Wholesale		
Net sales	191.2	195.3
Royalty revenue	5.0	3.4
Advertising and other revenue	0.6	0.8
Total	196.8	199.5
Revenue – Heritage Brands Retail		
Net sales	43.6	20.7
Royalty revenue	—	0.7
Advertising and other revenue	—	—
Total	43.6	21.4
Total Revenue		
Net sales	1,980.5	1,257.2
Royalty revenue	77.7	69.0
Advertising and other revenue	21.1	17.8
Total	\$ 2,079.3	\$ 1,344.0

<sup>(1)</sup> Revenue was impacted by fluctuations of the United States dollar against foreign currencies in which the Company transacts significant levels of business.

<sup>(2)</sup> Revenue in the first quarter of 2020 was significantly negatively impacted by the COVID-19 pandemic, including as a result of extensive temporary store closures and reduced traffic and consumer spending trends. The Company's wholesale customers and licensing partners also experienced significant business disruptions as a result of the pandemic, resulting in a decrease in the Company's revenue from these channels. Revenue in the first quarter of 2021 continued to be negatively impacted by the pandemic, although to a much lesser extent than in the first quarter of 2020.

The Company's revenue by distribution channel was as follows:

(In millions)	Thirteen Weeks Ended	
	5/2/21	5/3/20
Wholesale net sales	\$ 1,236.6	\$ 808.2
Owned and operated retail stores	566.5	342.1
Owned and operated digital commerce sites	177.4	106.9
Retail net sales	743.9	449.0
Net sales	1,980.5	1,257.2
Royalty revenue	77.7	69.0
Advertising and other revenue	21.1	17.8
Total	\$ 2,079.3	\$ 1,344.0

The Company's income (loss) before interest and taxes by segment was as follows:

(In millions)	Thirteen Weeks Ended	
	5/2/21 <sup>(1)</sup>	5/3/20 <sup>(1)(2)</sup>
Loss before interest and taxes – Tommy Hilfiger North America	\$ (5.1) <sup>(4)</sup>	\$ (50.0) <sup>(6)</sup>
Income (loss) before interest and taxes – Tommy Hilfiger International	167.3 <sup>(4)</sup>	(38.8) <sup>(6)</sup>
Loss before interest and taxes – Calvin Klein North America	(0.8) <sup>(4)</sup>	(327.8) <sup>(6)(7)</sup>
Income (loss) before interest and taxes – Calvin Klein International	96.4 <sup>(4)</sup>	(433.8) <sup>(6)(7)</sup>
Income (loss) before interest and taxes – Heritage Brands Wholesale	21.2	(287.9) <sup>(7)(8)</sup>
Loss before interest and taxes – Heritage Brands Retail	(13.3) <sup>(5)</sup>	(23.0) <sup>(6)</sup>
Loss before interest and taxes – Corporate <sup>(3)</sup>	(68.3) <sup>(4)</sup>	(57.1) <sup>(9)</sup>
Income (loss) before interest and taxes	\$ 197.4	\$ (1,218.4)

<sup>(1)</sup> Income (loss) before interest and taxes was impacted by fluctuations of the United States dollar against foreign currencies in which the Company transacts significant levels of business.

<sup>(2)</sup> Loss before interest and taxes for the thirteen weeks ended May 3, 2020 was significantly adversely impacted by the COVID-19 pandemic, including as a result of the unprecedented material decline in revenue noted above. As well, loss before interest and taxes in the first quarter of 2020 was significantly adversely impacted by \$961.8 million of noncash impairment charges related to goodwill, tradenames, other intangible assets, store assets and an equity method investment resulting from the significant adverse impacts of the COVID-19 on the Company's business. Please see notes (6), (7) and (9) below for further discussion.

<sup>(3)</sup> Includes corporate expenses not allocated to any reportable segments, the results of PVH Ethiopia and the Company's proportionate share of the net income or loss of its investment in Karl Lagerfeld (prior to its impairment in the first quarter of 2020). Corporate expenses represent overhead operating expenses and include expenses for senior corporate management, corporate finance, information technology related to corporate infrastructure, certain digital investments, certain corporate responsibility initiatives, and actuarial gains and losses on the Company's Pension Plans, SERP Plans and Postretirement Plans (which are generally recorded in the fourth quarter).

- <sup>(4)</sup> (Loss) income before interest and taxes for the thirteen weeks ended May 2, 2021 included costs of \$43.3 million incurred in connection with actions to streamline the Company's organization through reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures, consisting of noncash assets impairments, severance, and contract termination and other costs. Such costs were included in the Company's segments as follows: \$1.7 million in Tommy Hilfiger North America, \$5.7 million in Tommy Hilfiger International, \$2.1 million in Calvin Klein North America, \$5.3 million in Calvin Klein International and \$28.5 million in corporate expenses not allocated to any reportable segments. Please see Note 16, "Exit Activity Costs," for further discussion.
- <sup>(5)</sup> Loss before interest and taxes for the thirteen weeks ended May 2, 2021 included operating losses associated with the wind down of the Heritage Brands Retail business, which will cease operations in mid-2021 following the closure of the last of its directly operated Heritage Brands Retail stores. Please see Note 16, "Exit Activity Costs," for further discussion.
- <sup>(6)</sup> Loss before interest and taxes for the thirteen weeks ended May 3, 2020 included noncash impairment charges of \$16.0 million related to the Company's store assets. The \$16.0 million of impairment charges were included in the Company's segments as follows: \$4.1 million in Tommy Hilfiger North America, \$3.1 million in Tommy Hilfiger International, \$3.2 million in Calvin Klein North America, \$1.8 million in Calvin Klein International and \$3.8 million in Heritage Brands Retail. Please see Note 12, "Fair Value Measurements," for further discussion.
- <sup>(7)</sup> Loss before interest and taxes for the thirteen weeks ended May 3, 2020 included noncash impairment charges of \$933.5 million, primarily related to goodwill, tradenames and other intangible assets. The \$933.5 million of impairment charges were included in the Company's segments as follows: \$289.9 million in Calvin Klein North America, \$394.0 million in Calvin Klein International and \$249.6 million in Heritage Brands Wholesale. Please see Note 7, "Goodwill and Other Intangible Assets," for further discussion.
- <sup>(8)</sup> Loss before interest and taxes for the thirteen weeks ended May 3, 2020 included a noncash net loss of \$3.1 million in connection with the Speedo transaction. Please see Note 4, "Acquisitions and Divestitures," for further discussion.
- <sup>(9)</sup> Loss before interest and taxes for the thirteen weeks ended May 3, 2020 included a noncash impairment charge of \$12.3 million related to the Company's equity method investment in Karl Lagerfeld. Please see Note 6, "Investments in Unconsolidated Affiliates," for further discussion.

Intersegment transactions, which primarily consist of transfers of inventory, are not material.

## 20. GUARANTEES

The Company has guaranteed a portion of the debt of its joint venture in India. The maximum amount guaranteed as of May 2, 2021 was approximately \$18.8 million based on exchange rates in effect on that date. The guarantee is in effect for the entire term of the debt. The liability for this guarantee obligation was immaterial as of May 2, 2021, January 31, 2021 and May 3, 2020.

The Company has guaranteed to a financial institution the repayment of store security deposits in Japan paid to landlords on behalf of the Company. The amount guaranteed as of May 2, 2021 was approximately \$5.3 million based on exchange rates in effect on that date. The Company has the right to seek recourse from the landlords for the full amount. The guarantees expire between 2022 and 2025. The liability for these guarantee obligations was immaterial as of May 2, 2021, January 31, 2021 and May 3, 2020.

The Company has guaranteed the payment of amounts on behalf of certain other parties, none of which are material individually or in the aggregate.

## 21. RECENT ACCOUNTING GUIDANCE

### Recently Adopted Accounting Guidance

The FASB issued in December 2019 an update to accounting guidance to simplify the accounting for income taxes by eliminating certain exceptions to the existing guidance and clarifying and amending certain guidance to reduce diversity in practice. The update eliminates certain exceptions to the guidance related to the approach for intra-period tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. The update also simplifies aspects of the accounting for franchise taxes and enacted changes in tax laws or rates and clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. The Company adopted the update in the first quarter of 2021. The adoption of the update did not have any impact on the Company's consolidated financial statements.

### Accounting Guidance Issued But Not Adopted as of May 2, 2021

The FASB issued in March 2020 an update to provide temporary optional guidance intended to ease the potential burden of accounting for reference rate reform. The amendments in the update provide optional expedients and exceptions for applying accounting principles generally accepted in the United States to contract modifications, hedging relationships and other transactions affected by the expected market transition from LIBOR and other interbank offered rates to alternative reference rates if certain criteria are met. The amendments were effective upon issuance and can be applied on a prospective basis through December 31, 2022. The adoption of the update is not expected to have a material impact on the Company's consolidated financial statements.

## 22. OTHER COMMENTS

Wuxi Jinmao Foreign Trade Co., Ltd. ("Wuxi"), one of the Company's finished goods inventory suppliers, has a wholly owned subsidiary with which the Company entered into a loan agreement in 2016. Under the agreement, Wuxi's subsidiary borrowed a principal amount of \$13.8 million for the development and operation of a fabric mill. Principal payments are due in semi-annual installments beginning March 31, 2018 through September 30, 2026. The outstanding principal balance of the loan bears interest at a rate of (i) 4.50% per annum until the sixth anniversary of the closing date of the loan and (ii) LIBOR plus 4.00% thereafter. The Company received principal payments of \$2.1 million during the thirteen weeks ended May 2, 2021. The Company received no principal payments during the thirteen weeks ended May 3, 2020. The outstanding balance, including accrued interest, was \$10.4 million, \$12.6 million and \$13.2 million as of May 2, 2021, January 31, 2021 and May 3, 2020, respectively, and was included in other assets (current and non-current) in the Company's Consolidated Balance Sheets.

The Company records warehousing and distribution expenses, which are subject to exchange rate fluctuations, as a component of SG&A expenses in its Consolidated Statements of Operations. Warehousing and distribution expenses incurred in the thirteen weeks ended May 2, 2021 and May 3, 2020 totaled \$82.9 million and \$79.6 million, respectively, and included costs of \$6.8 million in the thirteen weeks ended May 3, 2020 related to the consolidation within the Company's warehouse and distribution network in North America.

The Company is exposed to credit losses primarily through trade receivables from its customers and licensees. The Company records an allowance for credit losses as a reduction to its trade receivables for amounts that the Company does not expect to recover. An allowance for credit losses is determined through an analysis of the aging of accounts receivable and assessments of collectibility based on historical trends, the financial condition of the Company's customers and licensees, including any known or anticipated bankruptcies, and an evaluation of current economic conditions as well as the Company's expectations of conditions in the future. The Company writes off uncollectible trade receivables once collection efforts have been exhausted and third parties confirm the balance is not recoverable. The allowance for credit losses on trade receivables was \$69.8 million, \$69.6 million and \$54.0 million as of May 2, 2021, January 31, 2021 and May 3, 2020, respectively. The Company recorded a \$32.9 million increase in the allowance for credit losses on trade receivables during the thirteen weeks ended May 3, 2020, primarily due to the evaluation of certain customer and licensee account balances in connection with changes in their financial condition and/or developments regarding their credit, including the adverse impacts of the COVID-19 pandemic.

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

We aggregate our reporting segments into three main businesses: (i) Tommy Hilfiger, which consists of the businesses we operate under our *TOMMY HILFIGER* trademarks; (ii) Calvin Klein, which consists of the businesses we operate under our *Calvin Klein* trademarks; and (iii) Heritage Brands, which consists of the businesses we operate under our *Van Heusen*, *IZOD*, *ARROW*, *Warner's*, *Olga*, *True&Co.* and *Geoffrey Beene* trademarks, the *Speedo* trademark, which we licensed for North America and the Caribbean until April 6, 2020, and other owned and licensed trademarks. References to the brand names *TOMMY HILFIGER*, *Calvin Klein*, *Van Heusen*, *IZOD*, *ARROW*, *Warner's*, *Olga*, *True&Co.* and *Geoffrey Beene* and to other brand names are to registered and common law trademarks owned by us or licensed to us by third parties and are identified by italicizing the brand name.

### OVERVIEW

The following discussion and analysis is intended to help you understand us, our operations and our financial performance. It should be read in conjunction with our consolidated financial statements and the accompanying notes, which are included in the immediately preceding item of this report.

We are one of the largest global apparel companies in the world, with a history going back 140 years. In March 2020, we marked our 100-year anniversary as a listed company on the New York Stock Exchange. We manage a diversified brand portfolio, including *TOMMY HILFIGER*, *Calvin Klein*, *Van Heusen*, *IZOD*, *ARROW*, *Warner's*, *Olga*, *True&Co.* and *Geoffrey Beene*, which are owned, as well as various other owned, licensed and, to a lesser extent, private label brands. We had a perpetual license for *Speedo* in North America and the Caribbean until April 6, 2020.

Our business strategy is to position our brands to sell globally at various price points and in multiple channels of distribution. This enables us to offer products to a broad range of consumers, while minimizing competition among our brands and reducing our reliance on any one demographic group, product category, price point, distribution channel or region. We also license the use of our trademarks to third parties and joint ventures for product categories and in regions where we believe our licensees' expertise can better serve our brands.

We generated revenue of \$7.1 billion and \$9.9 billion in 2020 and 2019, respectively. Over 60% of our revenue in 2020 and over 50% of our revenue in 2019 was generated outside of the United States. Our business was significantly negatively impacted by the COVID-19 pandemic during 2020, resulting in an unprecedented material decline in revenue. Our global lifestyle brands, *TOMMY HILFIGER* and *Calvin Klein*, accounted for over 85% of our revenue during 2020 and 2019.

### RESULTS OF OPERATIONS

#### *COVID-19 Pandemic Update*

The COVID-19 pandemic has had, and continues to have, a significant impact on our business, results of operations, financial condition and cash flows from operations.

Our retail stores have been, and continue to be, impacted by temporary closures, reduced hours and limited occupancy as a result of the pandemic:

- Virtually all of our retail stores were closed for six weeks on average in the first quarter of 2020 but had reopened by mid-June 2020.
- During the first quarter of 2021, our retail stores continued to face significant pressure as a result of the pandemic, including additional temporary store closures, for a significant percentage of our stores in Europe, Canada and Japan.

In addition, our North America retail stores have been, and continue to be, challenged by the lack of international tourists coming to the United States, as stores located in international tourist destinations represent a significant portion of that business.

Our brick and mortar wholesale customers and licensing partners also have experienced significant business disruptions as a result of the pandemic, with several of our North America wholesale customers filing for bankruptcy in 2020. Our wholesale customers and franchisees globally generally have experienced temporary store closures at the same time as us. Although most of our wholesale customers' and franchisees' stores had reopened the majority of their locations across all regions by mid-June



2020, there was a significant level of inventory that remained in their stores. The elevated inventory levels, as well as lower traffic and consumer demand, resulted in a sharp reduction in shipments to these customers in 2020.

Our digital channels, which have historically represented a less significant portion of our overall business, experienced strong growth during 2020 and into the first quarter of 2021, both with respect to sales to our traditional and pure play wholesale customers, as well as within our own directly operated digital commerce businesses across all brand businesses and regions. While we expect digital growth will be less pronounced for the remainder of 2021 as stores reopen, our digital penetration as a percentage of total revenue is expected to remain consistent.

In addition, the pandemic has impacted, and continues to impact, our supply chain partners, including third-party manufacturers, logistics providers and other vendors, as well as the supply chains of our licensees. A current vessel and container shortage globally, as well as factory delays as a result of resurgences in COVID-19 cases in some of our key sourcing countries, particularly in India, has delayed and is expected to continue to delay inventory orders and, in turn, deliveries to our wholesale customers and availability in our stores and for our directly operated digital commerce businesses. These supply chain disruptions have impacted our inventory levels in the first quarter of 2021 and could impact our sales volumes in future periods. Our 2021 outlook contemplates delays of approximately four to six weeks on average for certain inventory orders, but does not contemplate any greater supply chain disruptions beyond that. We continue to monitor these delays and other potential disruptions in our supply chain and will implement mitigation plans as needed.

Throughout the pandemic, our top priority has been to ensure the health and safety of our associates, consumers and employees of our business partners around the world. Accordingly, we have implemented health and safety measures to support high standards in our retail stores, office and distribution centers, including temporary closures, reduced occupancy levels, and social distancing and sanitization measures, as well as changes to fitting room use in our stores. We have incurred and expect to continue to incur additional costs associated with these measures.

We took the following actions, starting in the first quarter of 2020, to reduce operating expenses in response to the pandemic and the evolving retail landscape: (i) reducing payroll costs, including temporary furloughs, salary and incentive compensation reductions, decreased working hours, and hiring freezes, as well as taking advantage of COVID-related government payroll subsidy programs primarily in international jurisdictions, (ii) eliminating or reducing expenses in all discretionary spending categories and (iii) reducing rent expense through rent abatements negotiated with landlords for certain stores affected by temporary closures. We also announced in July 2020 plans to streamline our North American operations to better align our business with the evolving retail landscape, including (i) a reduction in our North America office workforce by approximately 450 positions, or 12%, across all three brand businesses and corporate functions, which is expected to result in annual cost savings of approximately \$80 million, and (ii) the exit from our Heritage Brands Retail business by mid-2021. In March 2021, we announced plans to reduce our workforce, primarily in certain international markets, and to reduce our real estate footprint, including reductions in office space and select store closures, which are expected to result in annual cost savings of approximately \$60 million.

We also have taken and continue to take actions to manage our working capital and liquidity. Please see the section entitled “Liquidity and Capital Resources” below for further discussion.

The impacts of the COVID-19 pandemic resulted in an unprecedented material decline in our revenue and earnings in 2020, including \$1.021 billion of pre-tax noncash impairment charges recognized during the year, primarily related to goodwill, tradenames and other intangible assets, and store assets. There continues to be uncertainty with respect to the impact of the pandemic on our business and the businesses of our licensees and wholesale customers, and our revenue and earnings in 2021 may be subject to significant material change. We currently expect the pandemic will continue to negatively impact our revenue and earnings in 2021. Our international businesses exceeded 2019 pre-pandemic revenue levels in the first quarter of 2021, and are expected to continue to exceed pre-pandemic revenue levels for the remainder of 2021. Our North America businesses are expected to remain challenged throughout 2021 as international tourism, which is the source of a significant portion of regional revenue, is not expected to return to any significant level this year.

### *Operations Overview*

We generate net sales from (i) the wholesale distribution to traditional retailers (both for stores and digital operations), pure play digital commerce retailers, franchisees, licensees and distributors of branded sportswear (casual apparel), jeanswear, performance apparel, intimate apparel, underwear, swimwear, dress shirts, neckwear, handbags, accessories, footwear and other related products under owned and licensed trademarks, and (ii) the sale of certain of these products through (a) approximately 1,700 Company-operated free-standing retail store locations worldwide under our *TOMMY HILFIGER*, *Calvin Klein* and

certain of our heritage brands trademarks, (b) approximately 1,415 Company-operated shop-in-shop/concession locations worldwide under our *TOMMY HILFIGER* and *Calvin Klein* trademarks, and (c) digital commerce sites worldwide under our *TOMMY HILFIGER* and *Calvin Klein* trademarks and in the United States through our directly operated digital commerce sites for *Van Heusen*, *IZOD*, and, until April 6, 2020, *Speedo*. We announced in July 2020 a plan to exit our Heritage Brands Retail business, which will result in the closing of 162 heritage brands stores by mid-2021. Approximately 50 of these stores had been closed by May 2, 2021. Additionally, we generate royalty, advertising and other revenue from fees for licensing the use of our trademarks. We manage our operations through our operating divisions, which are presented as six reportable segments: (i) Tommy Hilfiger North America; (ii) Tommy Hilfiger International; (iii) Calvin Klein North America; (iv) Calvin Klein International; (v) Heritage Brands Wholesale; and (vi) Heritage Brands Retail. Our Heritage Brands Retail segment will cease operations following the closure of our directly operated Heritage Brands Retail stores.

We have entered into the following transactions, which impact our results of operations and comparability among the periods, including our full year 2021 expectations as compared to full year 2020, as discussed in the section entitled “Results of Operations” below:

- We announced in March 2021 plans to reduce our workforce, primarily in certain international markets, and to reduce our real estate footprint, including reductions in office space and select store closures, which are expected to result in annual cost savings of approximately \$60 million. We recorded pre-tax costs of \$43 million in the first quarter of 2021 consisting of (i) \$28 million of noncash asset impairments, (ii) \$12 million of severance and (iii) \$3 million of contract termination and other costs. We expect to incur additional pre-tax costs of approximately \$27 million during the remainder of 2021 in connection with these actions, consisting of severance and contract termination and other costs. Please see Note 16, “Exit Activity Costs,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.
- We announced in July 2020 plans to streamline our North American operations to better align our business with the evolving retail landscape including (i) a reduction in our office workforce by approximately 450 positions, or 12%, across all three brand businesses and corporate functions (the “North America workforce reduction”), which is expected to result in annual cost savings of approximately \$80 million, and (ii) the exit from our Heritage Brands Retail business by mid-2021. All costs related to the North America workforce reduction were incurred by the end of 2020. We recorded pre-tax costs of \$8 million in the first quarter of 2021 in connection with the exit from the Heritage Brands Retail business, consisting of \$5 million of severance and other termination benefits and \$3 million of accelerated amortization of lease assets. We expect to incur additional pre-tax costs of approximately \$13 million in the second quarter of 2021 in connection with the Heritage Brands Retail business closure, primarily consisting of contract termination and other costs, severance and accelerated amortization of lease assets. We recorded pre-tax costs of \$69 million during 2020, including (i) \$40 million related to the North America workforce reduction, primarily consisting of severance, and (ii) \$29 million in connection with the exit from the Heritage Brands Retail business, consisting of \$15 million of severance, \$7 million of noncash asset impairments and \$7 million of accelerated amortization of lease assets and other costs. Please see Note 16, “Exit Activity Costs,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.
- We completed the sale of our Speedo North America business to Pentland Group PLC (“Pentland”), the parent company of the *Speedo* brand, in April 2020 for net proceeds of \$169 million (the “Speedo transaction”). Upon the closing of the transaction, we deconsolidated the net assets of the Speedo North America business. We recorded a pre-tax noncash loss of \$142 million in the fourth quarter of 2019, when the transaction was announced, consisting of (i) a noncash impairment of our perpetual license right for the *Speedo* trademark and (ii) a noncash loss to reduce the carrying value of the business to its estimated fair value, less costs to sell. We recorded an additional pre-tax noncash net loss of \$3 million in the first quarter of 2020 upon the closing of the transaction, consisting of (i) a \$6 million noncash loss resulting from the remeasurement of the loss recorded in the fourth quarter of 2019, primarily due to changes to the net assets of the Speedo North America business subsequent to February 2, 2020, partially offset by (ii) a \$3 million gain on our retirement plans. Please see Note 4, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.
- We completed the acquisition of the approximately 78% interest in Gazal Corporation Limited (“Gazal”) that we did not already own (the “Australia acquisition”) in 2019. Prior to the closing of the acquisition, we, along with Gazal, jointly owned and managed a joint venture, PVH Brands Australia Pty. Limited (“PVH Australia”), which licensed and operated businesses under the *TOMMY HILFIGER*, *Calvin Klein* and *Van Heusen* brands, along with other licensed and owned brands. PVH Australia came under our full control as a result of the acquisition and we now operate directly those businesses. The aggregate net purchase price for the shares acquired was \$59 million, net of cash acquired and after taking into account the proceeds from the divestiture to a third party of an office building and

warehouse owned by Gazal in June 2019. Pursuant to the terms of the acquisition agreement, key executives of Gazal and PVH Australia exchanged a portion of their interests in Gazal for approximately 6% of the outstanding shares of our previously wholly owned subsidiary that acquired 100% of the ownership interests in the Australia business, for which we recognized a liability on the date of the acquisition. We settled in June 2020 a portion of the liability for this mandatorily redeemable non-controlling interest for \$17 million. The remaining liability of \$24 million as of May 2, 2021 (based on exchange rates in effect on that date) was paid to the management shareholders in June 2021.

In connection with the Australia acquisition we recorded a pre-tax expense of \$5 million during 2020 in interest expense resulting from the remeasurement of this mandatorily redeemable non-controlling interest. Please see Note 4, "Acquisitions and Divestitures," in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

Our Tommy Hilfiger and Calvin Klein businesses each have substantial international components that expose us to significant foreign exchange risk. Our Heritage Brands business also has international components but those components are not significant to the business. Our results of operations in local foreign currencies are translated into United States dollars using an average exchange rate over the representative period. Accordingly, our results of operations are unfavorably impacted during times of a strengthening United States dollar against the foreign currencies in which we generate significant revenue and earnings and favorably impacted during times of a weakening United States dollar against those currencies. Over 60% of our 2020 revenue was subject to foreign currency translation. The United States dollar strengthened against most major currencies in 2019 and into the first half of 2020, but then weakened against those currencies in the latter half of 2020, particularly the euro, which is the foreign currency in which we transact the most business. We currently expect our 2021 revenue and net income to increase by approximately \$220 million and \$30 million, respectively, due to the impact of foreign currency translation.

There is also a transactional impact on our financial results because inventory typically is purchased in United States dollars by our foreign subsidiaries. Our results of operations will be unfavorably impacted during times of a strengthening United States dollar, as the increased local currency value of inventory results in a higher cost of goods in local currency when the goods are sold, and favorably impacted during times of a weakening United States dollar, as the decreased local currency value of inventory results in a lower cost of goods in local currency when the goods are sold. We use foreign currency forward exchange contracts to hedge against a portion of the exposure related to this transactional impact. The contracts cover at least 70% of the projected inventory purchases in United States dollars by our foreign subsidiaries. These contracts are generally entered into 12 months in advance of the related inventory purchases. Therefore, the impact of fluctuations of the United States dollar on the cost of inventory purchases covered by these contracts may be realized in our results of operations in the year following their inception, as the underlying inventory hedged by the contracts is sold. We currently expect our 2021 net income to increase by approximately \$35 million due to the transactional impact of foreign currency.

Further, we have exposure to changes in foreign currency exchange rates related to our €1.125 billion aggregate principal amount of senior notes that are held in the United States. The strengthening of the United States dollar against the euro would require us to use a lower amount of our cash flows from operations to pay interest and make long-term debt repayments, whereas the weakening of the United States dollar against the euro would require us to use a greater amount of our cash flows from operations to pay interest and make long-term debt repayments. We designated the carrying amount of these senior notes issued by PVH Corp., a U.S. based entity, as net investment hedges of our investments in certain of our foreign subsidiaries that use the euro as their functional currency. As a result, the remeasurement of these foreign currency borrowings at the end of each period is recorded in equity.

## SEASONALITY

Our business generally follows a seasonal pattern. Our wholesale businesses tend to generate higher levels of sales in the first and third quarters, while our retail businesses tend to generate higher levels of sales in the fourth quarter. Royalty, advertising and other revenue tends to be earned somewhat evenly throughout the year, although the third quarter tends to have the highest level of royalty revenue due to higher sales by licensees in advance of the holiday selling season. The COVID-19 pandemic has disrupted these patterns, however. We otherwise expect this seasonal pattern will generally continue. Working capital requirements vary throughout the year to support these seasonal patterns and business trends.

Due to the above seasonal factors, as well as the COVID-19 pandemic, our results of operations for the thirteen weeks ended May 2, 2021 are not necessarily indicative of those for a full fiscal year.

Total Revenue

Total revenue in the first quarter of 2021 was \$2.079 billion as compared to \$1.344 billion in the first quarter of the prior year. The prior year period was negatively impacted by extensive temporary store closures, as virtually all of our retail stores and our wholesale customers' stores globally were closed for six weeks on average. The increase in revenue of \$735 million, or 55%, reflects:

- The addition of an aggregate \$407 million of revenue, or a 63% increase compared to the prior year period, attributable to our Tommy Hilfiger International and Tommy Hilfiger North America segments, which included a positive impact of \$72 million, or 11%, related to foreign currency translation. Tommy Hilfiger International increased 78% (including a 15% positive foreign currency impact). Revenue in our Tommy Hilfiger North America segment increased 25% (including a 1% positive foreign currency impact).
- The addition of an aggregate \$309 million of revenue, or a 65% increase compared to the prior year period, attributable to our Calvin Klein International and Calvin Klein North America segments, which included a positive impact of \$44 million, or 9%, related to foreign currency translation. Calvin Klein International segment revenue increased 91% (including a 15% positive foreign currency impact). Revenue in our Calvin Klein North America segment increased 27% (including a 1% positive foreign currency impact).
- The net addition of an aggregate \$20 million of revenue, or a 9% increase compared to the prior year period, attributable to our Heritage Brands Retail and Heritage Brands Wholesale segments, which included a 14% decline resulting from the April 2020 sale of the Speedo North America business.

Our revenue in the first quarter of 2021 reflected a 53% increase in our revenue through our wholesale distribution channel and a 66% increase in our revenue through our direct to consumer distribution channel, which included a 66% increase in sales through our directly operated digital commerce businesses. All regions and brand businesses experienced strong digital growth due, in part, to the continued store closures, particularly in Europe. Our sales through digital channels, including the digital businesses of our traditional and pure play wholesale customers and our directly operated digital commerce businesses, as a percentage of total revenue was approximately 25%.

We currently expect that revenue for the full year 2021 will continue to be impacted negatively by the COVID-19 pandemic. Our international businesses exceeded 2019 pre-pandemic revenue levels in the first quarter of 2021, and are expected to continue to exceed pre-pandemic revenue levels for the remainder of 2021. Our North America businesses are expected to remain challenged throughout 2021, as international tourism, which is the source of a significant portion of regional revenue, is not expected to return to any significant level this year. We expect revenue growth through our digital channels will be less pronounced for the remainder of 2021 as compared to the first quarter of 2021, although our digital penetration as a percentage of total revenue is expected to remain consistent. We currently expect total revenue for the full year 2021 to increase 24% to 26% compared to 2020, inclusive of a positive impact of approximately 3% related to foreign currency translation. Our 2021 revenue outlook does not contemplate new store closures, new lockdowns, or extensions of current lockdowns beyond what is already known. Our results may be subject to significant material change as a result of the occurrence of any of these unanticipated events. There continues to be uncertainty in 2021 with respect to the impact of the pandemic on our business and the businesses of our licensees and other business partners.

Gross Profit

Gross profit is calculated as total revenue less cost of goods sold and gross margin is calculated as gross profit divided by total revenue. Included as cost of goods sold are costs associated with the production and procurement of product, such as inbound freight costs, purchasing and receiving costs and inspection costs. Also included as cost of goods sold are the amounts recognized on foreign currency forward exchange contracts as the underlying inventory hedged by such forward exchange contracts is sold. Warehousing and distribution expenses are included in SG&A expenses. All of our royalty, advertising and other revenue is included in gross profit because there is no cost of goods sold associated with such revenue. As a result, our gross profit may not be comparable to that of other entities.

Gross profit in the first quarter of 2021 was \$1.229 billion, or 59.1% of total revenue, as compared to \$666 million, or 49.5% of total revenue, in the first quarter of the prior year. The 960 basis point increase was primarily driven by (i) less promotional selling as compared to the first quarter of the prior year, (ii) the absence in 2021 of significant inventory reserves that had been recorded in the first quarter of 2020 as a result of the COVID-19 pandemic, (iii) the favorable impact of the weaker United

States dollar on our international businesses that purchase inventory in United States dollars, particularly our European businesses, as the decreased local currency value of inventory results in lower cost of goods in local currency when the goods are sold, and (iv) the impact of a change in the revenue mix between our International and North America segments, as our International segments revenue was a larger proportion and these segments generally carry higher gross margins.

We currently expect that gross margin for the full year 2021 will increase as compared to 2020. However, gross margin improvements for the remainder of the year, as compared to the gross margin improvement in the first quarter of 2021, will not be as pronounced. We currently expect gross margin for the full year 2021 to increase primarily due to (i) a significant reduction in the level of promotional selling and inventory liquidation as compared to 2020, as our inventories were significantly lower as of year-end 2020, (ii) the favorable impact of the weaker United States dollar on our international businesses that purchase inventory in United States dollars, particularly our European businesses, as the decreased local currency value of inventory results in lower cost of goods in local currency when the goods are sold and (iii) the impact of a change in the revenue mix between our International and North America segments as compared to the prior year, particularly in the first quarter of 2021 and, to a lesser extent for the remainder of the year, as our International segments revenue is expected to be a larger proportion in 2021 than in 2020 and generally carry higher gross margins. There continues to be uncertainty with respect to the impact of the COVID-19 pandemic on our business and the businesses of our licensees and other business partners, and our gross margin may be subject to significant material change.

#### SG&A Expenses

SG&A expenses in the first quarter of 2021 were \$1.039 billion, or 50.0% of total revenue, as compared to \$940 million, or 70.0% of total revenue, in the first quarter of the prior year. The significant basis point decrease was principally attributable to the leveraging of expenses driven by the increase in revenue. Also impacting the decrease were (i) cost savings resulting from the North America workforce reduction, (ii) the absence in 2021 of accounts receivable losses recorded in the first quarter of 2020 as a result of the COVID-19 pandemic, and (iii) the absence in 2021 of noncash store asset impairments recorded in the first quarter of 2020 resulting from the impacts of the pandemic on our business. These decreases were partially offset by (i) a reduction in 2021 of pandemic-related government payroll subsidy programs in international jurisdictions, as well as rent abatements, (ii) costs incurred in connection with actions to streamline our organization through reductions in our workforce, primarily in certain international markets, and to reduce our real estate footprint, and (iii) the impact of the change in the revenue mix between our International and North America segments, as our International segments revenue was a larger proportion and these segments generally carry higher SG&A expenses as percentages of total revenue.

We currently expect that SG&A expenses as a percentage of revenue for the full year 2021 will decrease as compared to 2020. However, the decrease in SG&A expenses as a percentage of revenue for the remainder of the year, as compared to the decrease in the first quarter of 2021, will not be as pronounced. We currently expect SG&A expenses as a percentage of revenue for the full year 2021 to decrease as compared to 2020, primarily as a result of the leveraging of expenses driven by an expected increase in revenue. Also impacting the decrease are: (i) cost savings resulting from the North America workforce reduction, (ii) the absence in 2021 of accounts receivable losses recorded in 2020 as a result of the COVID-19 pandemic, and (iii) the absence in 2021 of noncash store asset impairments recorded in 2020 resulting from the impacts of the pandemic on our business. These decreases are expected to be partially offset by (i) a reduction in 2021 of pandemic-related government payroll subsidy programs, as well as rent abatements; (ii) the absence in 2021 of temporary cost savings initiatives implemented in April 2020 in response to the pandemic, including temporary furloughs, and salary and incentive compensation reductions, (iii) the net impact of reductions in our workforce, primarily in certain international markets, and in our real estate footprint and (iv) the impact of the change in the revenue mix between our International and North America segments, as our International segments revenue is expected to be a larger proportion in 2021 than 2020, and generally carry higher SG&A expenses as percentages of total revenue. There continues to be uncertainty with respect to the impact of the COVID-19 pandemic on our business in 2021 and our SG&A expenses may be subject to significant material change.

#### Goodwill and Other Intangible Asset Impairments

We recorded noncash impairment charges of \$933 million in the first quarter of 2020 resulting from the impacts of the COVID-19 pandemic on our business, including \$879 million related to goodwill and \$54 million related to other intangible assets, primarily our *ARROW* and *Geoffrey Beene* tradenames. The impairments resulted from interim impairment assessments of our goodwill and other intangible assets, which we were required to perform in the first quarter of 2020 due to the adverse impacts of the pandemic on our then current and estimated future business results and cash flows, as well as the significant decrease in our market capitalization as a result of a sustained decline in our common stock price. We have not recorded any further impairments of goodwill and other intangible assets since the first quarter of 2020. Please see Note 7, "Goodwill and Other Intangible Assets," in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

### Non-Service Related Pension and Postretirement Income

Non-service related pension and postretirement income was \$4 million in each of the first quarters of 2021 and 2020.

Non-service related pension and postretirement (income) cost recorded throughout the year is calculated using actuarial valuations that incorporate assumptions and estimates about financial market, economic and demographic conditions. Differences between estimated and actual results give rise to gains and losses that are recorded immediately in earnings, generally in the fourth quarter of the year, which can create volatility in our results of operations. We currently expect that non-service related pension and postretirement income for the full year 2021 will be approximately \$16 million. However, our expectation of 2021 non-service related pension and post-retirement income does not include the impact of an actuarial gain or loss. As a result of the recent volatility in the financial markets due, in part, to the impact of the COVID-19 pandemic, there is significant uncertainty with respect to the actuarial gain or loss we may record on our retirement plans in 2021. We may incur a significant actuarial gain or loss in 2021 if there is a significant increase or decrease in discount rates, respectively, or if there is a difference in the actual and expected return on plan assets. Our actual 2021 non-service related pension and postretirement income cost may be significantly different than our projections. Non-service related pension and postretirement income was \$76 million in 2020, and included a \$65 million actuarial gain on our retirement plans recorded in the fourth quarter.

### Other Noncash Loss, Net

We recorded a noncash net loss of \$3 million in the first quarter of 2020 in connection with the Speedo transaction. Please see Note 4, “Acquisitions and Divestitures,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

### Equity in Net Income (Loss) of Unconsolidated Affiliates

The equity in net income (loss) of unconsolidated affiliates was \$4 million of income in the first quarter of 2021 as compared to a loss of \$(11) million in the first quarter of the prior year. These amounts relate to our share of income (loss) from (i) our joint venture for the *TOMMY HILFIGER*, *Calvin Klein*, *Warner’s*, *Olga*, and other licensed trademarks in Mexico, (ii) our joint venture for the *TOMMY HILFIGER* and *Calvin Klein* brands in India (our two prior joint ventures in India merged in the third quarter of 2020), (iii) our joint venture for the *TOMMY HILFIGER* brand in Brazil, and (iv) our PVH Legwear LLC (“PVH Legwear”) joint venture for the *TOMMY HILFIGER*, *Calvin Klein*, *IZOD*, *Van Heusen* and *Warner’s* brands and other owned and licensed trademarks in the United States and Canada. The first quarter of 2020 also included a \$12 million pre-tax noncash impairment of our investment in Karl Lagerfeld Holding B.V. (“Karl Lagerfeld”). Please see Note 6, “Investments in Unconsolidated Affiliates,” in the Notes to Consolidated Financial Statements included in Item 8 of this report for further discussion of our investment in Karl Lagerfeld. The equity in net income (loss) in the first quarter of 2021 increased as compared to the first quarter of the prior year primarily due to the absence in 2021 of this pre-tax noncash impairment charge. Our investments in the joint ventures are being accounted for under the equity method of accounting.

We currently expect that our equity in net income (loss) of unconsolidated affiliates for the full year 2021 will increase as compared to 2020 primarily due to the absence in 2021 of the \$12 million pre-tax noncash impairment of our investment in Karl Lagerfeld recorded in 2020, as well as an increase in income on our continuing investments.

### Interest Expense, Net

Interest expense, net increased to \$29 million in the first quarter of 2021 from \$21 million in the first quarter of the prior year, primarily due to (i) the impact of the issuance in April 2020 of an additional €175 million principal amount of 3 5/8% senior unsecured notes due 2024 and in July 2020 of \$500 million principal amount of 4 5/8% senior unsecured notes due 2025, and (ii) the absence in 2021 of a \$4 million gain recorded in the first quarter of 2020 resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Australia acquisition, as the measurement period ended in 2020, partially offset by (iii) the impact of \$500 million of voluntary long-term debt repayments made during the first quarter of 2021.

Interest expense, net for the full year 2021 is currently expected to be approximately \$110 million compared to \$121 million in 2020 primarily due to (i) the impact of planned long-term debt repayments in 2021, including \$500 million of voluntary repayments made during the first quarter of 2021, and (ii) the absence in 2021 of a \$5 million expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Australia acquisition, as the measurement period ended in 2020, partially offset by (iii) a full year impact in 2021 of the issuance of senior unsecured notes in April 2020 and July 2020.

## Income Taxes

The effective income tax rate for the first quarter of 2021 was 40.7% compared to 11.5% in the first quarter of the prior year. The effective income tax rate for the first quarter of 2021 reflected a \$68 million income tax expense recorded on \$168 million of pre-tax income. The effective income tax rate for the first quarter of 2020 reflected a \$(142) million income tax benefit recorded on \$(1.240) billion of pre-tax losses.

Our effective income tax rate for the first quarter of 2021 was higher than the United States statutory income tax rate primarily due to the tax on foreign earnings in excess of a deemed return on tangible assets of foreign corporations (known as "GILTI") and the mix of foreign and domestic pre-tax results.

Our effective income tax rate for the first quarter of 2020 was lower than the United States statutory income tax rate primarily due to the impact of the \$879 million of pre-tax goodwill impairment charges recorded during the first quarter of 2020, which were mostly non-deductible for tax purposes and factored into our annualized effective income tax rate, and resulted in a decrease to our effective income tax rate of 10.2%.

We file income tax returns in more than 40 international jurisdictions each year. A substantial amount of our earnings are in international jurisdictions, particularly in the Netherlands and Hong Kong SAR, where income tax rates, coupled with special rates levied on income from certain of our jurisdictional activities, are lower than the United States statutory income tax rate.

We currently expect that our effective income tax rate for the full year 2021 will be in a range of 17.5% to 19.0%. Our expectation that our effective income tax rate for the full year 2021 will be lower than the United States statutory income tax rate is principally due to the overall benefit of certain discrete items, including the favorable impact on certain liabilities for uncertain tax positions. There continues to be uncertainty with respect to the impact of the pandemic on our business and results of operations, which could affect our current expectation of our effective income tax rate in 2021.

Our tax rate is affected by many factors, including the mix of international and domestic pre-tax earnings, discrete events arising from specific transactions and new regulations, as well as audits by tax authorities and the receipt of new information, any of which can cause us to change our estimate for uncertain tax positions.

## Redeemable Non-Controlling Interest

We have a joint venture in Ethiopia with Arvind Limited named PVH Manufacturing Private Limited Company ("PVH Ethiopia") in which we own a 75% interest. We consolidate the results of PVH Ethiopia in our consolidated financial statements. PVH Ethiopia was formed to operate a manufacturing facility that produces finished products for us for distribution primarily in the United States.

The net loss attributable to the redeemable non-controlling interest ("RNCI") in PVH Ethiopia was immaterial in the first quarters of 2021 and 2020. We currently expect that the net loss attributable to the RNCI for the full year 2021 will be immaterial. Please see Note 5, "Redeemable Non-Controlling Interest," in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

## LIQUIDITY AND CAPITAL RESOURCES

### *Liquidity Update*

The COVID-19 pandemic had a significant impact on our business, results of operations, financial condition and cash flows in 2020. Given the unprecedented effects of the pandemic on our business, we took certain actions to positively impact our financial position in 2020, including the issuance in April 2020 of an additional €175 million principal amount of 3 5/8% senior unsecured notes due 2024 and in July 2020 of \$500 million principal amount of 4 5/8% senior unsecured notes due 2025, as well as focused management of our working capital, with particular focus on our inventory levels, among others. We ended 2020 with \$1.7 billion of cash on hand, which allowed us to make \$500 million of voluntary long-term debt repayments during the first quarter of 2021.

We had also obtained a waiver in June 2020 of the leverage and interest coverage ratios under our senior unsecured credit facilities (referred to as the “June 2020 Amendment”). During the relief period (as defined in the June 2020 Amendment), the applicable margin for these facilities was increased 0.25% and we are not permitted to declare or pay dividends on our common stock or make share repurchases under our stock repurchase program, among other things. Given the increase in our earnings in the first quarter of 2021 and our expectations for the balance of the year, we intend to terminate early, immediately following the filing of this report, the temporary relief of these financial covenants that otherwise would have been in effect until the date on which a compliance certificate was delivered for the second quarter of 2021 (as discussed below in the section entitled “2019 Senior Unsecured Credit Facilities”).

We currently expect the COVID-19 pandemic will continue to impact our cash flows from operations in 2021, including as a result of its impacts on our 2021 revenue and earnings. As such, we continue to take appropriate actions to manage our working capital, including tightly managing our inventory, and our liquidity through the uncertainty related to the pandemic, and are continuously reevaluating all aspects of our spending and cash flow generation as the situation evolves. We ended the first quarter of 2021 with \$913 million of cash on hand and approximately \$1.5 billion of borrowing capacity available under our various debt facilities.

### ***Cash Flow Summary and Trends***

Cash and cash equivalents at May 2, 2021 was \$913 million, a decrease of \$738 million from the \$1.651 billion at January 31, 2021. The change in cash and cash equivalents included the impact of the \$500 million of voluntary long-term debt repayments made during the first quarter of 2021. The seasonality of our business results in significant fluctuations in our cash balance between fiscal year end and subsequent interim periods due, in part, to the timing of inventory purchases.

Cash flow for the full year 2021 will be impacted by various factors in addition to those noted above and below in this “Liquidity and Capital Resources” section, including planned voluntary long-term debt repayments of approximately \$700 million, including the \$500 million of voluntary repayments made during the first quarter of 2021. There continues to be uncertainty with respect to the impacts of the COVID-19 pandemic. Our cash flows may be subject to material significant change, including as a result of the impacts of the pandemic on our earnings for the full year 2021, delays in collection of, or inability to collect on, certain trade receivables, and other working capital changes that we may experience as a result of the pandemic. We continue to evaluate our capital allocation, including stock repurchases and reinstating dividends on our common stock.

As of May 2, 2021, approximately \$599 million of cash and cash equivalents was held by international subsidiaries. Our intent is to reinvest indefinitely substantially all of our earnings in foreign subsidiaries outside of the United States. However, if management decides at a later date to repatriate these earnings to the United States, we may be required to accrue and pay additional taxes, including any applicable foreign withholding tax and United States state income taxes. It is not practicable to estimate the amount of tax that might be payable if these earnings were repatriated due to the complexities associated with the hypothetical calculation.

### ***Operations***

Cash used by operating activities was \$189 million in the first quarter of 2021 compared to \$143 million in the first quarter of 2020. The increase in cash used by operating activities as compared to the prior year period was primarily driven by changes in our working capital, including (i) an increase in trade receivables, primarily driven by a significant increase in our wholesale revenue, and (ii) an increase in inventories during the current period, primarily due to the planned increase in revenue for the remainder of the year, partially offset by (iii) an increase in net income (loss) as adjusted for noncash charges. Our cash flows from operations in the first quarter of 2020 were significantly impacted by widespread temporary store closures and other significant adverse impacts of the COVID-19 pandemic on our business. In an effort to mitigate the impacts of the pandemic, we have been and continue to be focused on working capital management, in particular tightly managing inventories, which in the first quarter of 2020 included reducing and cancelling inventory commitments, increasing promotional selling, redeploying basic inventory items to subsequent seasons and consolidating future seasonal collections.

### ***Supply Chain Finance Program***

We have a voluntary supply chain finance program (the “SCF program”) that provides our inventory suppliers with the opportunity to sell their receivables due from us to participating financial institutions at the sole discretion of both the suppliers and the financial institutions. The SCF program is administered through third party platforms that allow participating suppliers to track payments from us and sell their receivables due from us to financial institutions. We are not a party to the agreements between the suppliers and the financial institutions and have no economic interest in a supplier’s decision to sell a receivable.



Our payment obligations, including the amounts due and payment terms, are not impacted by suppliers' participation in the SCF program.

Accordingly, amounts due to suppliers that elected to participate in the SCF program are included in accounts payable in our consolidated balance sheets and the corresponding payments are reflected in cash flows from operating activities in our consolidated statements of cash flows. We have been informed by the third party administrators of the SCF program that suppliers had elected to sell approximately \$360 million of our payment obligations that were outstanding as of May 2, 2021 to financial institutions and approximately \$360 million had been settled through the program during the first quarter of 2021, which primarily related to our outstanding payment obligations as of January 31, 2021.

### ***Capital Expenditures***

Our capital expenditures in the first quarter of 2021 were \$49 million compared to \$56 million in the first quarter of 2020. We currently expect that capital expenditures for the full year 2021 will be in a range of \$300 million to \$325 million as compared to \$227 million in 2020 and will include continued investments in (i) platforms and systems worldwide, including our digital commerce platforms, and (ii) enhancements to our warehouse and distribution network.

### ***Investments in Unconsolidated Affiliates***

We received dividends of \$9 million from our investments in unconsolidated affiliates during the first quarter of 2021. These dividends are included in our net cash used by operating activities in our Consolidated Statement of Cash Flows for the period.

### ***Speedo Transaction***

We completed the sale of our Speedo North America business to Pentland in April 2020 for net proceeds of \$169 million. Please see Note 4, "Acquisitions and Divestitures," in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

### ***Mandatorily Redeemable Non-Controlling Interest***

The Australia acquisition agreement provided for key executives of Gazal and PVH Australia to exchange a portion of their interests in Gazal for approximately 6% of the outstanding shares of our previously wholly owned subsidiary that acquired 100% of the ownership interests in the Australia business. We were obligated to purchase this 6% interest within two years of the acquisition closing in two tranches. The purchase price for the tranche 1 and tranche 2 shares was based on a multiple of the subsidiary's adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA") less net debt as of the end of the measurement year, and the multiple varied depending on the level of EBITDA compared to a target.

We purchased for \$17 million (based on exchange rates in effect on the payment date) tranche 1 (50% of the shares) in June 2020, on the first anniversary of the closing. With respect to the remaining tranche 2 shares, the measurement period ended in 2020. We had a liability for the tranche 2 shares of \$24 million as of May 2, 2021 (based on exchange rates in effect on the payment date), which we subsequently paid to purchase these shares in June 2021, on the second anniversary of the closing. Please see Note 4, "Acquisitions and Divestitures," in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for further discussion.

### ***Dividends***

We suspended our dividends following the \$3 million payment of a \$0.0375 per common share dividend on March 31, 2020 in response to the impacts of the COVID-19 pandemic on our business. In addition, under the terms of the June 2020 Amendment, we are not permitted to declare or pay dividends during the relief period (as defined below). However, immediately following the filing of this report, we intend to terminate early this relief period that otherwise would have been in effect until the date on which a compliance certificate was delivered for the second quarter of 2021. Please see the section entitled "2019 Senior Unsecured Credit Facilities" below for further discussion. Future determinations regarding the declaration and payment of dividends will be at the discretion of the PVH Board of Directors and will depend on the then-existing conditions, including our results of operations, capital requirements, financial condition, any limitations on payment of dividends under the terms of our credit facilities and other relevant factors.

## Acquisition of Treasury Shares

The Board of Directors has authorized over time since 2015 an aggregate \$2.0 billion stock repurchase program through June 3, 2023. The program may be modified by the Board of Directors, including to increase or decrease the repurchase limitation or extend, suspend, or terminate the program, at any time, without prior notice.

We suspended share repurchases under the stock repurchase program beginning in March 2020, following the purchase of 1.4 million shares in open market transactions for \$111 million completed earlier in the first quarter of 2020, in response to the impacts of the COVID-19 pandemic on our business. Purchases of \$500,000 that were accrued for in our Consolidated Balance Sheet as of February 2, 2020 were also paid in the first quarter of 2020. In addition, under the terms of the June 2020 Amendment, we are not permitted to make share repurchases during the relief period. However, immediately following the filing of this report, we intend to terminate early this relief period that otherwise would have been in effect until the date on which a compliance certificate was delivered for the second quarter of 2021, and would then be permitted to resume share repurchases at management's discretion. Please see the section entitled "2019 Senior Unsecured Credit Facilities" below for further discussion. The existing stock repurchase program remains authorized by the Board of Directors. As of May 2, 2021, the repurchased shares were held as treasury stock and \$573 million of the authorization remained available for future share repurchases.

Repurchases under the program, when it is being used, may be made from time to time over the period through open market purchases, accelerated share repurchase programs, privately negotiated transactions or other methods, as we deem appropriate. Purchases are made based on a variety of factors, such as price, corporate requirements and overall market conditions, applicable legal requirements and limitations, trading restrictions under our insider trading policy and other relevant factors.

Treasury stock activity also includes shares that were withheld principally in conjunction with the settlement of restricted stock units to satisfy tax withholding requirements.

## Financing Arrangements

Our capital structure was as follows:

(In millions)	5/2/21	1/31/21	5/3/20
Short-term borrowings	\$ 14	\$ —	\$ 322
Current portion of long-term debt	26	41	14
Finance lease obligations	14	13	15
Long-term debt	3,018	3,514	2,854
Stockholders' equity	4,839	4,730	4,513

In addition, we had \$913 million, \$1.651 billion and \$801 million of cash and cash equivalents as of May 2, 2021, January 31, 2021 and May 3, 2020, respectively.

### Short-Term Borrowings

We had \$14 million of borrowings outstanding under short-term lines of credit, overdraft facilities and short-term revolving credit facilities denominated in various foreign currencies as of May 2, 2021. The weighted average interest rate on funds borrowed as of May 2, 2021 was 0.18%. These facilities provided for borrowings of up to \$249 million based on exchange rates in effect on May 2, 2021 and are utilized primarily to fund working capital needs. The maximum amount of borrowings outstanding under these facilities during the first quarter of 2021 was \$14 million.

We had \$322 million of borrowings outstanding as of May 3, 2020, including \$168 million of borrowings under our senior unsecured revolving credit facilities, \$80 million of borrowings under our commercial paper note program, and \$74 million of borrowings under short-term lines of credit, overdraft facilities and short-term revolving credit facilities denominated in various foreign currencies. We repaid the outstanding balance under our senior unsecured revolving credit facilities and commercial paper note program during the second quarter of 2020. We had no borrowings outstanding under any of these facilities as of January 31, 2021.

### 2021 Unsecured Revolving Credit Facility

On April 28, 2021, we replaced our 364-day \$275 million United States dollar-denominated unsecured revolving credit facility, which matured on April 7, 2021 (the “2020 facility”), with a new 364-day \$275 million United States dollar-denominated unsecured revolving credit facility (the “2021 facility”). The 2021 facility will mature on April 27, 2022. We paid approximately \$600,000 of debt issuance costs in connection with the transaction. We had no borrowings outstanding under these facilities during the first quarter of 2021.

The borrowings under the 2021 facility bear interest at variable rates calculated in a manner consistent with the 2020 facility. The current applicable margin with respect to the borrowings is 1.625% for adjusted Eurocurrency rate loans and 0.625% for base rate loans, which reflects an additional 0.25% during the relief period (as defined below in the section entitled “2019 Senior Unsecured Credit Facilities”). The applicable margin for borrowings is subject to adjustment (i) after the date of delivery of the compliance certificate and financial statements, with respect to each of our fiscal quarters, based upon our net leverage ratio, except during the relief period (as defined below in the section entitled “2019 Senior Unsecured Credit Facilities”), or (ii) after the date of delivery of notice of a change in our public debt rating by Standard & Poor’s or Moody’s.

The 2021 facility is subject to other terms and conditions and financial and non-financial covenants consistent with the 2020 facility. Please see Note 8, “Debt,” in the Notes to the Consolidated Financial Statements included in Item 8 of our Annual Report on Form 10-K for the year ended January 31, 2021 for further discussion of the 2020 facility.

### Finance Lease Liabilities

Our cash payments for finance lease liabilities totaled \$1 million in each of the first quarters of 2021 and 2020.

### 2019 Senior Unsecured Credit Facilities

We have senior unsecured credit facilities due April 29, 2024 (the “2019 facilities”) that consist of a \$1.093 billion United States dollar-denominated Term Loan A facility (the “USD TLA facility”), a €500 million euro-denominated Term Loan A facility (the “Euro TLA facility” and together with the USD TLA facility, the “TLA facilities”) and senior unsecured revolving credit facilities consisting of (i) a \$675 million United States dollar-denominated revolving credit facility, (ii) a CAD \$70 million Canadian dollar-denominated revolving credit facility available in United States dollars or Canadian dollars, (iii) a €200 million euro-denominated revolving credit facility available in euro, British pound sterling, Japanese yen, Swiss francs, Australian dollars and other agreed foreign currencies and (iv) a \$50 million United States dollar-denominated revolving credit facility available in United States dollars or Hong Kong dollars. Borrowings under the 2019 facilities bear interest at variable rates calculated in the manner set forth in the terms of the 2019 facilities.

We had loans outstanding of \$1.103 billion, net of debt issuance costs and based on applicable exchange rates, under the TLA facilities, no borrowings outstanding under the senior unsecured revolving credit facilities and \$18 million of outstanding letters of credit under the senior unsecured revolving credit facilities as of May 2, 2021.

We made payments totaling \$504 million and \$3 million on our term loans under the 2019 facilities during the first quarters of 2021 and 2020, respectively, and we expect to make long-term debt repayments of approximately \$723 million during the full year 2021.

The current applicable margin with respect to the TLA facilities and each revolving credit facility as of May 2, 2021 was 1.625% for adjusted Eurocurrency rate loans and 0.625% for base rate or Canadian prime rate loans, which reflects an increase of 0.25% as set forth in the June 2020 Amendment (as defined below). The applicable margin for borrowings under the TLA facilities and the revolving credit facilities is subject to adjustment (i) after the date of delivery of the compliance certificate and financial statements, with respect to each of our fiscal quarters, based upon our net leverage ratio, except during the relief period (as defined below), or (ii) after the date of delivery of notice of a change in our public debt rating by Standard & Poor’s or Moody’s.

We entered into interest rate swap agreements designed with the intended effect of converting notional amounts of our variable rate debt obligation to fixed rate debt. Under the terms of the agreements, for the outstanding notional amount, our exposure to fluctuations in the one-month London interbank offered rate (“LIBOR”) is eliminated and we pay a fixed rate plus the current applicable margin. The following interest rate swap agreements were entered into or in effect during the first quarter of 2021 and/or the first quarter of 2020:

(In millions)

Designation Date	Commencement Date	Initial Notional Amount	Notional Amount Outstanding as of May 2, 2021	Fixed Rate	Expiration Date
March 2020	February 2021	\$ 50	\$ 50	0.562%	February 2023
February 2020	February 2021	50	50	1.1625%	February 2023
February 2020	February 2020	50	50	1.2575%	February 2023
August 2019	February 2020	50	50	1.1975%	February 2022
June 2019	February 2020	50	50	1.409%	February 2022
June 2019	June 2019	50	50	1.719%	July 2021
January 2019	February 2020	50	—	2.4187%	February 2021
November 2018	February 2019	139	—	2.8645%	February 2021
October 2018	February 2019	116	—	2.9975%	February 2021
June 2018	August 2018	50	—	2.6825%	February 2021
June 2017	February 2018	306	—	1.566%	February 2020

Our 2019 facilities require us to comply with customary affirmative, negative and financial covenants including a minimum interest coverage ratio and a maximum net leverage ratio. A breach of any of these operating or financial covenants would result in a default under the 2019 facilities. If an event of default occurs and is continuing, the lenders could elect to declare all amounts then outstanding, together with accrued interest, to be immediately due and payable, which would result in acceleration of our other debt. Given the disruption to our business caused by the COVID-19 pandemic and to ensure financial flexibility, we amended these facilities in June 2020 to provide temporary relief of certain financial covenants until the date on which a compliance certificate is delivered for the second quarter of 2021 (the “relief period”) unless we elect earlier to terminate the relief period and satisfy the conditions for doing so (the “June 2020 Amendment”). The June 2020 Amendment provides for the following during the relief period, among other things, the (i) suspension of compliance with the maximum net leverage ratio through and including the first quarter of 2021, (ii) suspension of the minimum interest coverage ratio through and including the first quarter of 2021, (iii) addition of a minimum liquidity covenant of \$400 million, (iv) addition of a restricted payment covenant and (v) imposition of stricter limitations on the incurrence of indebtedness and liens. The limitation on restricted payments requires that we suspend payments of dividends on our common stock and purchases of shares under our stock repurchase program during the relief period. The June 2020 Amendment also provides that during the relief period the applicable margin will be increased 0.25%. In addition, under the June 2020 Amendment, in the event there is a specified credit ratings downgrade by Standard & Poor’s and Moody’s during the relief period (as set forth in the June 2020 Amendment), within 120 days thereafter (i) we must cause each of our wholly owned United States subsidiaries (subject to certain customary exceptions) to become a guarantor under the 2019 facilities and (ii) we and each subsidiary guarantor will be required to grant liens in favor of the collateral agent on substantially all of our respective assets (subject to customary exceptions). As of May 2, 2021, we were in compliance with all applicable financial and non-financial covenants (as amended) under these facilities. We intend to terminate the relief period early, immediately following the filing of this report.

We expect to maintain compliance with the financial covenants (as amended) under the 2019 facilities based on our current forecasts. If the impacts of the COVID-19 pandemic on our business worsen and our earnings and operating cash flows do not recover as currently estimated by us, there can be no assurance that we will be able to maintain compliance with our financial covenants (as amended) in the future. There can be no assurance that we would be able to obtain future waivers in a timely manner, on terms acceptable to us, or at all. If we were not able to maintain compliance or obtain a future covenant waiver under the 2019 facilities, there can be no assurance that we would be able to raise sufficient debt or equity capital, or divest assets, to refinance or repay such facilities.

#### 7 3/4% Debentures Due 2023

We have outstanding \$100 million of debentures due November 15, 2023 that accrue interest at the rate of 7 3/4%. The debentures are not redeemable at our option prior to maturity.

#### 3 5/8% Euro Senior Notes Due 2024

We have outstanding €525 million principal amount of 3 5/8% senior notes due July 15, 2024, of which €175 million principal amount was issued on April 24, 2020. We paid €3 million (\$3 million based on exchange rates in effect on the payment date) of fees in connection with the issuance of the additional €175 million notes. We may redeem some or all of these notes at any time prior to April 15, 2024 by paying a “make whole” premium plus any accrued and unpaid interest. In addition, we may redeem some or all of these notes on or after April 15, 2024 at their principal amount plus any accrued and unpaid interest.

#### 4 5/8% Senior Notes Due 2025

We have outstanding \$500 million principal amount of 4 5/8% senior notes due July 10, 2025. We paid \$6 million of fees in connection with the July 2020 issuance of the notes. We may redeem some or all of these notes at any time prior to June 10, 2025 by paying a “make whole” premium plus any accrued and unpaid interest. In addition, we may redeem some or all of these notes on or after June 10, 2025 at their principal amount plus any accrued and unpaid interest.

#### 3 1/8% Euro Senior Notes Due 2027

We have outstanding €600 million principal amount of 3 1/8% senior notes due December 15, 2027. We may redeem some or all of these notes at any time prior to September 15, 2027 by paying a “make whole” premium plus any accrued and unpaid interest. In addition, we may redeem some or all of these notes on or after September 15, 2027 at their principal amount plus any accrued and unpaid interest.

Our financing arrangements contain financial and non-financial covenants and customary events of default. As of May 2, 2021, we were in compliance with all applicable financial and non-financial covenants under our financing arrangements.

As of May 2, 2021, our issuer credit was rated BBB- by Standard & Poor’s with a negative outlook and our corporate credit was rated Baa3 by Moody’s with a stable outlook, and our commercial paper was rated A-3 by Standard & Poor’s and P-3 by Moody’s. In assessing our credit strength, we believe that both Standard & Poor’s and Moody’s considered, among other things, our capital structure and financial policies, our consolidated balance sheet, our historical acquisition activity and other financial information, as well as industry and other qualitative factors.

Please see Note 9, “Debt,” in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report for a schedule of mandatory long-term debt repayments for the remainder of 2021 through 2026.

Please see Note 8, “Debt,” in the Notes to Consolidated Financial Statements included in Item 8 of our Annual Report on Form 10-K for the year ended January 31, 2021 for further discussion of our debt.

#### CRITICAL ACCOUNTING POLICIES

Our consolidated financial statements are based on the selection and application of significant accounting policies, which require management to make significant estimates and assumptions. Our significant accounting policies are outlined in Note 1, “Summary of Significant Accounting Policies,” in the Notes to Consolidated Financial Statements included in Item 8 of our Annual Report on Form 10-K for the year ended January 31, 2021. During the first quarter of 2021, there were no significant changes to our critical accounting policies from those described in our Annual Report on Form 10-K for the year ended January 31, 2021.

### ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Financial instruments held by us as of May 2, 2021 include cash and cash equivalents, short-term borrowings, long-term debt, foreign currency forward exchange contracts and interest rate swap agreements. Note 12, "Fair Value Measurements," in the Notes to Consolidated Financial Statements included in Part I, Item 1 of this report outlines the fair value of our financial instruments as of May 2, 2021. Cash and cash equivalents held by us are affected by short-term interest rates, which are currently low. The potential for a significant decrease in short-term interest rates is low due to the currently low rates of return we are receiving on our cash and cash equivalents and, therefore, a further decrease would not have a material impact on our interest income. However, there is potential for a more significant increase in short-term interest rates, which could have a more material impact on our interest income. Given our balance of cash and cash equivalents at May 2, 2021, the effect of a 10 basis point change in short-term interest rates on our interest income would be approximately \$0.9 million annually. Borrowings under the 2019 facilities and 2021 facility bear interest at a rate equal to an applicable margin plus a variable rate. As such, the 2019 facilities and 2021 facility expose us to market risk for changes in interest rates. We have entered into interest rate swap agreements for the intended purpose of reducing our exposure to interest rate volatility. As of May 2, 2021, after taking into account the effect of our interest rate swap agreements that were in effect as of such date, approximately 75% of our long-term debt was at a fixed interest rate, with the remainder at variable interest rates. Given our long-term debt position at May 2, 2021, the effect of a 10 basis point change in interest rates on our variable interest expense would be approximately \$200,000 annually. Please refer to "Liquidity and Capital Resources" in the Management's Discussion and Analysis section included in Part I, Item 2 of this report for further discussion of our credit facilities and interest rate swap agreements.

Our Tommy Hilfiger and Calvin Klein businesses each have substantial international components that expose us to significant foreign exchange risk. Our Heritage Brands business also has international components but those components are not significant to the business. Over 60% of our \$7.133 billion of revenue in 2020 and over 50% of our \$9.909 billion of revenue in 2019 was generated outside of the United States. Changes in exchange rates between the United States dollar and other currencies can impact our financial results in two ways: a translational impact and a transactional impact.

The translational impact refers to the impact that changes in exchange rates can have on our results of operations and financial position. The functional currencies of our foreign subsidiaries are generally the applicable local currencies. Our consolidated financial statements are presented in United States dollars. The results of operations in local foreign currencies are translated into United States dollars using an average exchange rate over the representative period and the assets and liabilities in local foreign currencies are translated into United States dollars using the closing exchange rate at the balance sheet date. Foreign exchange differences that arise from the translation of our foreign subsidiaries' assets and liabilities into United States dollars are recorded as foreign currency translation adjustments in other comprehensive income (loss). Accordingly, our results of operations and other comprehensive income (loss) will be unfavorably impacted during times of a strengthening United States dollar, particularly against the euro, the Brazilian real, the Japanese yen, the Korean won, the British pound sterling, the Australian dollar, the Canadian dollar and the Chinese yuan renminbi, and favorably impacted during times of a weakening United States dollar against those currencies.

We currently expect our 2021 revenue and net income to increase by approximately \$220 million and \$30 million, respectively, due to the impact of foreign currency translation.

During the thirteen weeks ended May 2, 2021, we recognized unfavorable foreign currency translation adjustments of \$7 million within other comprehensive income (loss) principally driven by a slight strengthening of the United States dollar against the euro since January 31, 2021. Our foreign currency translation adjustments recorded in other comprehensive income (loss) are significantly impacted by the substantial amount of goodwill and other intangible assets denominated in the euro, which represented 38% of our \$6.5 billion total goodwill and other intangible assets as of May 2, 2021. This translational impact was partially mitigated by the change in the fair value of our net investment hedges discussed below.

A transactional impact on financial results is common for apparel companies operating outside the United States that purchase goods in United States dollars, as is the case with most of our foreign operations. Our results of operations will be unfavorably impacted during times of a strengthening United States dollar, as the increased local currency value of inventory results in a higher cost of goods in local currency when the goods are sold, and favorably impacted during times of a weakening United States dollar, as the decreased local currency value of inventory results in a lower cost of goods in local currency when the goods are sold. We also have exposure to changes in foreign currency exchange rates related to certain intercompany transactions and SG&A expenses. We currently use and plan to continue to use foreign currency forward exchange contracts or other derivative instruments to mitigate the cash flow or market value risks associated with these inventory and intercompany transactions, but we are unable to entirely eliminate these risks. The foreign currency forward exchange contracts cover at least 70% of the projected inventory purchases in United States dollars by our foreign subsidiaries.

We currently expect our 2021 net income to increase by approximately \$35 million due to the transactional impact of foreign currency.

Given our foreign currency forward exchange contracts outstanding at May 2, 2021, the effect of a 10% change in foreign currency exchange rates against the United States dollar would result in a change in the fair value of these contracts of approximately \$110 million. Any change in the fair value of these contracts would be substantially offset by a change in the fair value of the underlying hedged items.

In order to mitigate a portion of our exposure to changes in foreign currency exchange rates related to the value of our investments in foreign subsidiaries denominated in the euro, we designated the carrying amount of our €1.125 billion aggregate principal amount of senior notes issued by PVH Corp., a U.S.-based entity, as net investment hedges of our investments in certain of our foreign subsidiaries that use the euro as their functional currency. The effect of a 10% change in the euro against the United States dollar would result in a change in the fair value of the net investment hedges of approximately \$135 million. Any change in the fair value of the net investment hedges would be more than offset by a change in the value of our investments in certain of our European subsidiaries. Additionally, during times of a strengthening United States dollar against the euro, we would be required to use a lower amount of our cash flows from operations to pay interest and make long-term debt repayments on our euro-denominated senior notes, whereas during times of a weakening United States dollar against the euro, we would be required to use a greater amount of our cash flows from operations to pay interest and make long-term debt repayments on these notes.

Included in the calculations of expense and liabilities for our pension plans are various assumptions, including return on assets, discount rates, mortality rates and future compensation increases. Actual results could differ from these assumptions, which would require adjustments to our balance sheet and could result in volatility in our future pension expense. Holding all other assumptions constant, a 1% change in the assumed rate of return on assets would result in a change to 2021 net benefit cost related to the pension plans of approximately \$7 million. Likewise, a 0.25% change in the assumed discount rate would result in a change to 2021 net benefit cost of approximately \$48 million.

#### ITEM 4 - CONTROLS AND PROCEDURES

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Operating & Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, our Chief Executive Officer and Chief Operating & Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report. Disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Operating & Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There have been no changes in our internal control over financial reporting during the period to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any material impact to our internal control over financial reporting despite the fact that a significant number of our employees are working remotely due to the COVID-19 pandemic.

We are currently undertaking a major multi-year SAP S/4 implementation to upgrade our platforms and systems worldwide. The implementation is occurring in phases over multiple years. We successfully launched the Global Finance functionality on the SAP S/4 platform in Asia and North America in the first quarter of 2020.

As a result of this multi-year implementation, we expect certain changes to our processes and procedures, which in turn, could result in changes to our internal control over financial reporting. While we expect this implementation to strengthen our internal control over financial reporting by automating certain manual processes and standardizing business processes and reporting across our organization, we will continue to evaluate and monitor our internal control over financial reporting as processes and procedures in the affected areas evolve. For a discussion of risks related to the implementation of new systems and hardware, please refer to our Information Technology risk factor "*We rely significantly on information technology. Our business and reputation could be adversely impacted if our computer systems, or systems of our business partners and service providers, are disrupted or cease to operate effectively or if we or they are subject to a data security or privacy breach*" in Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended January 31, 2021.



## PART II – OTHER INFORMATION

### ITEM 1 - LEGAL PROCEEDINGS

We are a party to certain litigations which, in management's judgment based, in part, on the opinions of legal counsel, will not have a material adverse effect on our financial position.

### ITEM 1A - RISK FACTORS

Please refer to Item 1A. Risk Factors in our Annual Report on Form 10-K for the fiscal year ended January 31, 2021 for a description of certain significant risks and uncertainties to which our business, financial condition and results of operations are subject. There have been no material changes to these risk factors as of May 2, 2021.

### ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

#### ISSUER PURCHASES OF EQUITY SECURITIES

Period	(a) Total Number of Shares (or Units) Purchased <sup>(1)</sup>	(b) Average Price Paid per Share (or Unit) <sup>(1)</sup>	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs <sup>(2)</sup>	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs <sup>(2)</sup>
February 1, 2021 - February 28, 2021	5,158	\$ 76.67	—	\$ 572,591,498
March 1, 2021 - April 4, 2021	3,336	93.60	—	572,591,498
April 5, 2021 - May 2, 2021	79,336	107.67	—	572,591,498
Total	<u>87,830</u>	<u>\$ 105.32</u>	<u>—</u>	<u>\$ 572,591,498</u>

<sup>(1)</sup> Our Stock Incentive Plan provides us with the right to deduct or withhold, or require employees to remit to us, an amount sufficient to satisfy any applicable tax withholding requirements applicable to stock-based compensation awards. To the extent permitted, employees may elect to satisfy all or part of such withholding requirements by tendering previously owned shares or by having us withhold shares having a fair market value equal to the minimum statutory tax withholding rate that could be imposed on the transaction. Included in this table are shares withheld during the first quarter of 2021 in connection with the settlement of restricted stock units to satisfy tax withholding requirements.

<sup>(2)</sup> The PVH Board of Directors has authorized over time since 2015 an aggregate \$2.0 billion stock repurchase program through June 3, 2023. The program may be modified by the Board of Directors, including to increase or decrease the repurchase limitation or extend, suspend, or terminate the program, at any time, without prior notice. We suspended share repurchases under our stock repurchase program beginning in March 2020 in response to the impacts of the COVID-19 pandemic on our business. In addition, we entered into an amendment to our senior unsecured credit facilities in June 2020, under which share repurchases are not permitted until after the relief period (as defined). Our existing stock repurchase program remains authorized by the Board of Directors and we may resume share repurchases after the restrictions under the June 2020 amendment lapse.

## ITEM 6 - EXHIBITS

The following exhibits are included herein:

- 3.1 [Amended and Restated Certificate of Incorporation of PVH Corp. \(incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K, filed June 21, 2019\).](#)
- 3.2 [By-Laws of PVH Corp., as amended through June 20, 2019 \(incorporated by reference to Exhibit 3.2 to our Current Report on Form 8-K, filed on June 21, 2019\).](#)
- 4.1 [Specimen of Common Stock certificate \(incorporated by reference to Exhibit 4.1 to our Quarterly Report on Form 10-Q for the period ended July 31, 2011\).](#)
- 4.2 [Indenture, dated as of November 1, 1993, between Phillips-Van Heusen Corporation and The Bank of New York, as Trustee \(incorporated by reference to Exhibit 4.01 to our Registration Statement on Form S-3 \(Reg. No. 33-50751\) filed on October 26, 1993\); First Supplemental Indenture, dated as of October 17, 2002, to Indenture, dated as of November 1, 1993, between Phillips-Van Heusen Corporation and The Bank of New York, as Trustee \(incorporated by reference to Exhibit 4.15 to our Quarterly Report on Form 10-Q for the period ended November 3, 2002\); Second Supplemental Indenture, dated as of February 12, 2002, to Indenture, dated as of November 1, 1993, between Phillips-Van Heusen Corporation and The Bank of New York, as Trustee \(incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K, filed on February 26, 2003\); Third Supplemental Indenture, dated as of May 6, 2010, between Phillips-Van Heusen Corporation and The Bank of New York Mellon \(formerly known as The Bank of New York\), as Trustee \(incorporated by reference to Exhibit 4.16 to our Quarterly Report on Form 10-Q for the period ended August 1, 2010\); Fourth Supplemental Indenture, dated as of February 13, 2013, to Indenture, dated as of November 1, 1993, between PVH Corp. and The Bank of New York Mellon, as Trustee \(incorporated by reference to Exhibit 4.11 to our Quarterly Report on Form 10-Q for the period ended May 5, 2013\).](#)
- 4.3 [Indenture, dated as of June 20, 2016, between PVH Corp., U.S. Bank National Association, as Trustee, Elavon Financial Services Limited, UK Branch, as Paying Agent and Authenticating Agent, and Elavon Financial Services Limited, as Transfer Agent and Registrar \(incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on June 20, 2016\).](#)
- 4.4 [Indenture, dated as of December 21, 2017, between PVH Corp., U.S. Bank National Association, as Trustee, Elavon Financial Services DAC, UK Branch, as Paying Agent and Authenticating Agent, and Elavon Financial Services DAC, as Transfer Agent and Registrar \(incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on December 21, 2017\).](#)
- 4.5 [Indenture, dated as of July 10, 2020, between PVH Corp. and U.S. Bank National Association, as Trustee \(incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K, filed on July 10, 2020\) and Form of 4 5/8% Senior Note due 2025 \(incorporated by reference to Exhibit 4.2 and Appendix A to Exhibit 4.1 to our Current Report on Form 8-K, filed on July 10, 2020\).](#)
- +10.1 [Credit Agreement, dated as of April 28, 2021, among PVH Corp., Barclays Bank PLC as Administrative Agent, Joint Lead Arranger and Joint Lead Bookrunner, Citibank, N.A. as Syndication Agent, Joint Lead Arranger and Joint Lead Bookrunner, Bank of America, N.A. as Documentation Agent, JPMorgan Chase Bank, N.A. as Documentation Agent, Joint Lead Arranger and Joint Lead Bookrunner, Royal Bank of Canada as Documentation Agent, Truist Bank as Documentation Agent, Joint Lead Arranger and Joint Lead Bookrunner, Citizens Bank N.A. as Documentation Agent, MUFG Bank, LTD. as Documentation Agent, U.S. Bank National Association as Documentation Agent, Wells Fargo Bank, National Association as Documentation Agent, BOFA Securities, Inc. as Joint Lead Arranger and Joint Lead Bookrunner, and RBC Capital Markets, LLC as Joint Lead Arranger and Joint Lead Bookrunner.](#)
- +10.2 [Second Amendment to Credit Agreement, dated as of April 28, 2021, entered into by and among PVH Corp., PVH Asia Limited, PVH B.V., each Lender party thereto and Barclays Bank PLC as administrative agent.](#)
- +31.1 [Certification of Stefan Larsson, Chief Executive Officer, pursuant to Section 302 of the Sarbanes – Oxley Act of 2002.](#)

- +31.2 [Certification of Michael Shaffer, Executive Vice President and Chief Operating & Financial Officer, pursuant to Section 302 of the Sarbanes – Oxley Act of 2002.](#)
- \*,+32.1 [Certification of Stefan Larsson, Chief Executive Officer, pursuant to Section 906 of the Sarbanes – Oxley Act of 2002, 18 U.S.C. Section 1350.](#)
- \*,+32.2 [Certification of Michael Shaffer, Executive Vice President and Chief Operating & Financial Officer, pursuant to Section 906 of the Sarbanes – Oxley Act of 2002, 18 U.S.C. Section 1350.](#)
- +101.INS Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- +101.SCH Inline XBRL Taxonomy Extension Schema Document
- +101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document
- +101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document
- +101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document
- +101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

+Filed or furnished herewith.

\* Exhibits 32.1 and 32.2 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that Section. Such exhibits shall not be deemed incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

SIGNATURES

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

PVH CORP.

Registrant

Dated: June 10, 2021

/s/ JAMES W. HOLMES

James W. Holmes

Senior Vice President and Controller (Principal Accounting Officer)

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**CREDIT AGREEMENT**

**dated as of April 28, 2021**

**among**

**PVH CORP., as Borrower,**

**VARIOUS LENDERS,**

**BARCLAYS BANK PLC,  
as Administrative Agent,**

**Citibank, N.A.,  
as Syndication Agent**

**and**

**Bank of America, N.A., JPMorgan Chase Bank, N.A., Royal Bank of Canada, Truist Bank, Citizens Bank, N.A., MUFG Bank, Ltd., U.S. Bank National Association and Wells Fargo Bank, National Association,  
as Documentation Agents**

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**BARCLAYS BANK PLC, Citibank, N.A., BofA Securities, Inc., JPMorgan Chase Bank, N.A., RBC CAPITAL MARKETS, LLC and Truist Bank,  
as Joint Lead Arrangers,**

**and**

**BARCLAYS BANK PLC, Citibank, N.A., BofA Securities, Inc., JPMorgan Chase Bank, N.A., RBC CAPITAL MARKETS, LLC and Truist Bank,  
as Joint Lead Bookrunners**

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**Revolving Credit Facility**

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Conversion/Continuation Notice  
Revolving Loan Note  
Compliance Certificate  
Certificate re Non-Bank Status  
Closing Date Certificate  
Solvency Certificate  
Counterpart Agreement

## CREDIT AGREEMENT

This **CREDIT AGREEMENT**, dated as of April 28, 2021, is entered into by and among **PVH CORP.**, a Delaware corporation (together with its permitted successors and assigns, the "Borrower"), the Lenders party hereto from time to time, and **BARCLAYS BANK PLC** ("Barclays"), as Administrative Agent (together with its permitted successors and assigns in such capacity, the "Administrative Agent"), with **CITIBANK, N.A.** ("Citi"), as Syndication Agent (together with its permitted successors and assigns in such capacity, the "Syndication Agent"), and **BANK OF AMERICA, N.A.** ("BofA"), **JPMORGAN CHASE BANK, N.A.** ("JPMorgan"), **ROYAL BANK OF CANADA** ("RBC"), **TRUIST BANK** ("Truist"), **CITIZENS BANK, N.A.** ("Citizens Bank"), **MUFG Bank, Ltd.** ("MUFG Bank"), **U.S. BANK NATIONAL ASSOCIATION** ("US Bank") and **WELLS FARGO BANK, NATIONAL ASSOCIATION** ("Wells Fargo Bank"), as Documentation Agents.

### RECITALS:

**WHEREAS**, the Borrower have requested that the Lenders (as defined below) extend credit to the Borrower from time to time on the terms and subject to the conditions set forth herein.

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

### Article I. DEFINITIONS AND INTERPRETATION

**Section 1.01 Definitions.** The following terms used herein, including in the preamble, recitals, exhibits and schedules hereto, shall have the following meanings:

"Acquisition Consideration" means the purchase consideration for any Subject Acquisition and all other payments by any Group Member in exchange for, or as part of, or in connection with, any Subject Acquisition, whether paid in cash or by exchange of Equity Interests or of properties or otherwise and whether payable at or prior to the consummation of such Subject Acquisition or deferred for payment at any future time, whether or not any such future payment is subject to the occurrence of any contingency, and includes any and all payments representing the purchase price and any assumptions of Indebtedness, "earn-outs" and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any Person or business (it being understood that the amount of any deferred payment, including consideration paid in the form of or pursuant to an "earn-out" or other contingent payment, shall be calculated as the present value of expected future payments in respect thereof, as of the date of consummation of the applicable Subject Acquisition in accordance with GAAP).

"Acquisition Debt" means any Indebtedness of the Borrower or any of its Subsidiaries that has been issued for the purpose of financing, in whole or in part, a Qualifying Acquisition and any related transactions or series of related transactions (including for the purpose of refinancing or replacing all or a portion of any pre-existing Indebtedness of the Borrower, any of its Subsidiaries or the Person(s) or assets to be acquired); provided that (a) the release of the

proceeds thereof to the Borrower and its Subsidiaries is contingent upon the consummation of such Qualifying Acquisition and, pending such release, such proceeds are held in escrow (and, if the definitive agreement (or, in the case of a tender offer or similar transaction, the definitive offer document) for such acquisition is terminated prior to the consummation of such Qualifying Acquisition or if such Qualifying Acquisition is otherwise not consummated by the date specified in the definitive documentation relating to such Indebtedness, such proceeds shall be promptly applied to satisfy and discharge all obligations of the Borrower and its Subsidiaries in respect of such Indebtedness) or (b) such Indebtedness contains a “special mandatory redemption” provision (or other similar provision) or otherwise permits such Indebtedness to be redeemed or prepaid if such Qualifying Acquisition is not consummated by the date specified in the definitive documentation relating to such Indebtedness (and if the definitive agreement (or, in the case of a tender offer or similar transaction, the definitive offer document) for such Qualifying Acquisition is terminated in accordance with its terms prior to the consummation of such Qualifying Acquisition or such Qualifying Acquisition is otherwise not consummated by the date specified in the definitive documentation relating to such Indebtedness, such Indebtedness is so redeemed or prepaid within 90 days of such termination or such specified date, as the case may be).

“Acquisition Period” means the period from and after the consummation of a Qualifying Acquisition to and including the last day of the fourth full Fiscal Quarter following the Fiscal Quarter in which such Qualifying Acquisition was consummated.

“Administrative Agent” has the meaning specified in the preamble hereto.

“Adverse Proceeding” means any action, suit or proceeding at law or in equity or, to the knowledge of any Authorized Officer of the Borrower, any hearing (whether administrative, judicial or otherwise), investigation before or by any Governmental Authority or arbitration (whether or not purportedly on behalf of any Group Member) against or affecting any Group Member or any property of any Group Member.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affected Lender” has the meaning set forth in Section 2.18(b).

“Affiliate” means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person. For the purposes of this definition, “control” (including, with correlative meanings, the terms “controlling”, “controlled by” and “under common control with”), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise; provided, that no Agent or Lender shall be deemed to be an Affiliate of any Loan Party.

“Agent” means the Administrative Agent, the Syndication Agent, the Documentation Agents and, if applicable, any Collateral Agent.

“Agent Affiliates” has the meaning set forth in Section 10.01(b)(iii).

“Aggregate Amounts Due” has the meaning set forth in Section 2.17.

“Aggregate Payments” has the meaning set forth in Section 7.02(b).

“Agreement” means this Credit Agreement, dated as of April 28, 2021, as it may be amended, restated, supplemented or otherwise modified from time to time.

“Agreement Currency” has the meaning set forth in Section 10.25.

“AML Laws” means all laws, rules, and regulations of the United States applicable to the Borrower or the Borrower’s Subsidiaries from time to time concerning or relating to anti-money laundering.

“Applicable Margin” means (i) with respect to Base Rate Loans, (a) from the Closing Date until the date of delivery of the Compliance Certificate and the financial statements for the Fiscal Quarter during which the Closing Date occurs, 0.375% *per annum*, plus, until the termination of the Covenant Relief Period (including the date of such termination), 0.25% *per annum* and (b) thereafter, a percentage, *per annum*, determined by reference to the more favorable to the Borrower of the Net Leverage Ratio in effect from time to time as set forth below and the Public Debt Rating in effect from time to time as set forth below, in each case subject to the Pricing Level Adjustment, (ii) with respect to Eurocurrency Rate Loans, (a) from the Closing Date until the date of delivery of the Compliance Certificate and the financial statements for the Fiscal Quarter during which the Closing Date occurs, 1.375% *per annum*, plus, until the termination of the Covenant Relief Period (including the date of such termination), 0.25% *per annum* and (b) thereafter, a percentage, *per annum*, determined by reference to the more favorable to the Borrower of the Net Leverage Ratio in effect from time to time as set forth below and the Public Debt Rating in effect from time to time as set forth below, in each case subject to the Pricing Level Adjustment; provided that, commencing on the Closing Date and thereafter until the termination of the Covenant Relief Period (including the date of such termination), the Applicable Margin for any Loan shall mean percentage, *per annum*, as set forth in the grid below plus 0.25%:

<b>Pricing Level</b>	<b>Net Leverage Ratio</b>	<b>Public Debt Ratings</b>	<b>Applicable Margin for Eurocurrency Rate Loans</b>	<b>Applicable Margin for Base Rate Loans</b>
I	≤ 1.00:1.00	BBB+ / Baa1	1.125%	0.125%
II	≤ 2.00:1.00 > 1.00:1.00	BBB / Baa2	1.250%	0.250%
III	≤ 3.00:1.00 > 2.00:1.00	BBB- / Baa3	1.375%	0.375%
IV	≤ 4.00:1.00 > 3.00:1.00	BB+ / Ba1	1.500%	0.500%
V	> 4.00:1.00	BB / Ba2	1.750%	0.750%

Changes in the Applicable Margin shall be effective on and after the date on which, as applicable, the Administrative Agent has received the applicable financial statements and a Compliance Certificate pursuant to Section 5.08(a) or (b) calculating the Net Leverage Ratio and/or the date on which the Borrower has delivered notice to the Administrative Agent of any publicly-announced change in the Public Debt Rating by S&P or Moody's. Promptly following receipt of the applicable information under Section 5.08(a) or (b), the Administrative Agent shall give each Lender electronic or telefacsimile notice of the Applicable Margin for the applicable Loans in effect from such date. In the event that any financial statement or certificate delivered pursuant to Section 5.08(a) or (b) is shown to be inaccurate, and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any Loan, as applicable, for any period (an "Applicable Period") than the Applicable Margin for such Loans, applied for such Applicable Period, then (i) the Borrower shall immediately deliver to the Administrative Agent a correct certificate required by Section 5.08(a) or (b) for such Applicable Period, (ii) the Applicable Margin for such Loans, as applicable, shall be recalculated with the Net Leverage Ratio and Public Debt Ratings at the corrected level and (iii) the Borrower shall immediately pay to the Administrative Agent the accrued additional interest owing as a result of such increased Applicable Margin for such Loans, as applicable, for such Applicable Period. Nothing in this definition shall limit the right of the Administrative Agent or any Lender under Section 2.10 or Article VIII and the provisions of this definition shall survive the termination of this Agreement.

"Applicable Period" has the meaning set forth in the definition of "Applicable Margin".

"Applicable Reserve Requirement" means, at any time, for any Eurocurrency Rate Loan, the maximum rate, expressed as a decimal, at which reserves (including any basic marginal, special, supplemental, emergency or other reserves) are required to be maintained with respect thereto against "Eurocurrency liabilities" (as such term is defined in Regulation D) under regulations issued from time to time by the Board of Governors or other applicable banking regulator. The rate of interest on Eurocurrency Rate Loans shall be adjusted automatically on and as of the effective date of any change in the Applicable Reserve Requirement.

“Applicable Revolving Commitment Fee Percentage” means (a) from the Closing Date until the date of delivery of the Compliance Certificate and the financial statements for the Fiscal Quarter during which the Closing Date occurs, 0.15% *per annum*, and (b) thereafter, a percentage, *per annum*, determined by reference to the more favorable to the Borrower of the Net Leverage Ratio in effect from time to time as set forth below and the Public Debt Rating in effect from time to time as set forth below, subject to the Pricing Level Adjustment:

Pricing Level	Net Leverage Ratio	Public Debt Ratings	Commitment Fee
I	≤ 1.00:1.00	BBB+ / Baa1	0.075%
II	≤ 2.00:1.00 > 1.00:1.00	BBB / Baa2	0.100%
III	≤ 3.00:1.00 > 2.00:1.00	BBB- / Baa3	0.150%
IV	≤ 4.00:1.00 > 3.00:1.00	BB+ / Ba1	0.200%
V	> 4.00:1.00	BB / Ba2	0.225%

Changes in the Applicable Revolving Commitment Fee Percentage shall be effective on and after the date on which, as applicable, the Administrative Agent has received the applicable financial statements and a Compliance Certificate pursuant to Section 5.08(a) or (b) calculating the Net Leverage Ratio and/or the date on which the Borrower has delivered notice to the Administrative Agent of any publicly-announced change in the Public Debt Rating by S&P or Moody’s. Promptly following receipt of the applicable information under Section 5.08(a) or (b), the Administrative Agent shall give each Lender electronic or telefacsimile notice of the Applicable Revolving Commitment Fee Percentage in effect from such date. In the event that any financial statement or certificate delivered pursuant to Section 5.08(a) or (b) is shown to be inaccurate, and such inaccuracy, if corrected, would have led to the application of a higher Applicable Revolving Commitment Fee Percentage for any Applicable Period than the Applicable Revolving Commitment Fee Percentage applied for such Applicable Period, then (i) the Borrower shall immediately deliver to the Administrative Agent a correct certificate required by Section 5.08(a) or (b) for such Applicable Period, (ii) the Applicable Revolving Commitment Fee Percentage shall be recalculated with the Net Leverage Ratio and Public Debt Ratings at the corrected level and (iii) the Borrower shall immediately pay to the Administrative Agent the accrued additional fees owing as a result of such increased Applicable Revolving Commitment Fee Percentage for such Applicable Period. Nothing in this definition shall limit the right of the Administrative Agent or any Lender under Section 2.10 or Article VIII and the provisions of this definition shall survive the termination of this Agreement.

“Approved Electronic Communications” means any notice, demand, communication, information, document or other material that any Loan Party provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Agents or to Lenders by means of electronic communications pursuant to Section 10.01(b).

“Arrangers” means Barclays, Citi, BofA Securities, JPMorgan, RBC Capital Markets, LLC and Truist, each in its capacity as a joint lead arranger.

“Assignment Agreement” means an assignment agreement in the form agreed to by the Administrative Agent and the Lenders on the Closing Date, with such amendments or modifications solely to reflect market practice as may be approved in writing by the Administrative Agent.

“Assignment Effective Date” has the meaning set forth in Section 10.06(b).

“Authorized Officer” means, as applied to any Person, the chairman of the board (if an officer), principal executive officer, president or any corporate vice president (or the equivalent thereof), Financial Officer, principal accounting officer or any director of such Person. Unless otherwise specified, an Authorized Officer shall refer to an Authorized Officer of the Borrower.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

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

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

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as now and hereafter in effect, or any successor statute.

“Barclays” has the meaning specified in the preamble hereto.

“Base Rate” means, for any day, a rate *per annum* equal to the greatest of (x) the rate last quoted by The Wall Street Journal as the “Prime Rate” in the United States or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent) (the “Prime Rate”), (y) the Federal Funds Effective Rate plus ½ of 1.0% and (z) the one-month reserve Eurocurrency Rate plus 1.0%. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the



Eurocurrency Rate shall be effective on the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or the Eurocurrency Rate, respectively.

“Base Rate Loan” means a Loan bearing interest at a rate determined by reference to the Base Rate.

“Benchmark” means, initially, USD LIBOR; provided that if a replacement of the Benchmark has occurred pursuant to Section 2.22, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof.

“Benchmark Replacement” means, for any Available Tenor:

(1) For purposes of Section 2.22(a), the first alternative set forth below that can be determined by the Administrative Agent:

(a) the sum of: (i) Term SOFR and (ii) 0.11448% (11.448 basis points) for an Available Tenor of one-month’s duration, 0.26161% (26.161 basis points) for an Available Tenor of three-months’ duration, 0.42826% (42.826 basis points) for an Available Tenor of six-months’ duration, and 0.71513% (71.513 basis points) for an Available Tenor of 12-months’ duration, or

(b) the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of USD LIBOR with a SOFR-based rate having approximately the same length as the interest payment period specified in Section 2.22(a); and

(2) For purposes of Section 2.22(b), the sum of (a) the alternate benchmark rate and (b) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time;

provided that, if the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“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 “Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides in its reasonable discretion 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 in its reasonable discretion that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines in its reasonable discretion that no market practice for the administration of such 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 and the other Loan Documents).

“Benchmark Transition Event” means, with respect to any then-current Benchmark other than USD LIBOR, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Board of Directors” means, with respect to any Person, the board of directors, the board of managers or similar governing body of such Person, or if such Person is owned and/or managed by a single entity, the board of directors or similar governing body of such entity.

“Board of Governors” means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

“BofA” has the meaning specified in the preamble hereto.

“BofA Securities” means BofA Securities, Inc..

“Bookrunners” means each of Barclays, Citi, BofA Securities, JPMorgan, RBC Capital Markets, LLC and Truist, each in its capacity as a joint lead bookrunner.

“Borrower” means the Person identified as the “Borrower” in the preamble hereto.

“Borrowing Notice” means a notice substantially in the form of Exhibit A-1.

“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 Principal Office is located and if such day relates to any interest rate settings as to a Eurocurrency Rate Loan, any fundings, disbursements, settlements and payments in respect of any such Eurocurrency Rate Loan, or any other dealings to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means any such day on which dealings in deposits in Dollars are conducted by and between banks in the London interbank eurodollar market.

“Certificate re Non-Bank Status” means a certificate substantially in the form of Exhibit D.

“Change of Control” means (i) [reserved], (ii) an event or series of events by which any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any Employee Benefit Plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) (a) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 35.0% of the then-outstanding shares of capital stock or equivalent interests of the Borrower the holders of which are ordinarily, in the absence of contingencies, entitled to vote for members of the Board of Directors or equivalent governing body of the Borrower on a fully diluted basis, even though the right to so vote has been suspended by the happening of such a contingency (the “Voting Stock”) or (b) obtains the power (whether or not exercised) to elect a majority of the members of the Board of Directors of the Borrower or (iii) the majority of the seats (other than vacant seats) on the Board of Directors of the Borrower cease to be occupied by Continuing Directors. Notwithstanding the foregoing, a transaction will not be considered to be a Change of Control under clause (ii) above, if (x) the Borrower becomes a direct or indirect Wholly-Owned Subsidiary of another Person (a “Parent Entity”) and (y)(1) the direct or indirect holders of the Voting Stock of such Parent Entity immediately following that transaction are substantially the same as the holders of the Voting Stock of the Borrower outstanding immediately prior to such transaction or (2) immediately after giving effect to such transaction no “person” or “group” (other than a Person satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 35.0% of the Voting Stock of such Parent Entity.

“Citi” has the meaning specified in the preamble hereto.

“Citizens Bank” has the meaning specified in the preamble hereto.

“CKI Trust” means the trust established pursuant to the Delaware Business Trust Act, as amended, and the CKI Trust Agreement.

“CKI Trust Agreement” means the Trust Agreement, dated as of March 14, 1994, between CKI and Wilmington Trust Company, relating to the CKI Trust, and the other agreements related thereto.

“Closing Date” means the first date all the conditions precedent in Section 3.01 are satisfied (or waived in accordance with Section 10.05), which date is April 28, 2021.

“Closing Date Certificate” means a Closing Date Certificate substantially in the form of Exhibit E-1.

“Collateral” has the meaning set forth in the Pledge and Security Agreement.

“Collateral Agent” has the meaning set forth in Section 9.01 and shall include any permitted successors and assigns.

“Commitment” means any Revolving Commitment.

“Commodity Agreement” means any and all commodity swap agreements, cap agreements, collar agreements, floor agreements, exchange agreements, forward contracts, option contracts or other similar agreement or arrangement, each of which is for the purpose of hedging the commodity exposure associated with the operations of the Group and not for speculative purposes.

“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.

“Compliance Certificate” means a Compliance Certificate substantially in the form of Exhibit C.

“Consolidated Cash Interest Expense” means, for any period, total interest expense payable in cash in such period (including that portion attributable to Finance Leases in accordance with GAAP) of the Group on a consolidated basis with respect to all outstanding Indebtedness of the Group (net of cash interest income), excluding, however, any one time financing fees (to the extent included in such Person’s consolidated interest expense for such period).

“Consolidated EBITDA” means, for any period, for the Borrower and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period *plus*

(a) the following (without duplication) to the extent deducted in calculating such Consolidated Net Income for such period: (i) consolidated interest expense for such period; (ii) provisions for taxes based on income, profits or capital; (iii) depreciation and amortization expense for such period; (iv) all non-cash expenses, losses or charges for such period (other than any such non-cash expenses, losses or charges that represent an accrual or reserve for future cash expenses, losses or charges), including, without limitation, non-cash stock based compensation expenses for such period and non-cash expenses, losses or charges for such period in connection with (A) goodwill and intangibles impairment losses under ASC 350, (B) unrealized losses resulting from mark-to-market accounting in respect of Hedge Agreements and Treasury Transactions, (C) unrealized losses on equity investments and (D) the pension or postretirement plans of the Borrower and its Subsidiaries; (v) in connection with any Qualifying Acquisition, all

non-recurring restructuring costs, facilities relocation costs, acquisition integration costs and fees, including cash severance payments, and non-recurring fees and expenses, in each case incurred during such period in connection with such Qualifying Acquisition and within twelve (12) months of the completion of such Qualifying Acquisition; provided that the amount added back to Consolidated Net Income pursuant to this clause (v) in respect of any such costs, fees, payments and expenses incurred to be paid in cash in connection with all such Qualifying Acquisitions shall not exceed 15% of Consolidated EBITDA (calculated before giving effect to this clause (v) in the aggregate for any period of four Fiscal Quarters of the Borrower); and (vi) any non-recurring expenses, charges or losses; *minus*

(b) the following (without duplication) to the extent included in calculating such Consolidated Net Income: (i) any non-recurring gains (less all fees and expenses related thereto); and (ii) all non-cash income or gains for such period including, without limitation, gains in connection with (A) unrealized gains resulting from mark-to-market accounting in respect of Hedge Agreements and Treasury Transactions, (B) unrealized gains on equity investments and (C) unrealized gains in connection with the pension or postretirement plans of the Borrower and its Subsidiaries.

In addition, in the event that the Borrower or any of its Subsidiaries, during the relevant period, consummated an acquisition or disposition of property involving the payment or receipt of consideration by the Borrower or any of its Subsidiaries in excess of \$200,000,000, Consolidated EBITDA will be determined giving pro forma effect to such acquisition or disposition as if such acquisition or disposition and any related incurrence or repayment of Indebtedness had occurred on the first day of the relevant period, but shall not take into account any cost savings projected to be realized as a result of such acquisition or disposition.

Notwithstanding anything to the contrary in this definition of “Consolidated EBITDA”, unless the Covenant Relief Period is terminated in accordance with clause (ii) of the definition thereof, (i) Consolidated EBITDA for the four Fiscal Quarter period ending on the last day of the Borrower’s second Fiscal Quarter in its 2021 Fiscal Year shall be deemed to be the Consolidated EBITDA for the Fiscal Quarter then ending multiplied by 4, (ii) Consolidated EBITDA for the four Fiscal Quarter period ending on the last day of the Borrower’s third Fiscal Quarter in its 2021 Fiscal Year shall be deemed to be the Consolidated EBITDA for the two Fiscal Quarters then ending multiplied by 2 and (iii) Consolidated EBITDA for the four Fiscal Quarter period ending on the last day of the Borrower’s 2021 Fiscal Year shall be deemed to be the Consolidated EBITDA for the three Fiscal Quarters then ending multiplied by 4/3.

“Consolidated Net Income” means, for any period, the net income (or loss) of the Group on a consolidated basis for such period taken as a single accounting period determined in conformity with GAAP.

“Consolidated Net Worth” means, as of any date of determination, the consolidated stockholders’ equity of the Borrower and its Subsidiaries (including all redeemable common stock) calculated on a consolidated basis in accordance with GAAP.

“Consolidated Total Assets” means, as of any date of determination, the total assets of the Group, determined in accordance with GAAP, as set forth on the consolidated balance sheet of the Borrower as of such date (which calculation shall give *pro forma* effect to any acquisition or

disposition by any Group Member, in each case involving the payment or receipt by any Group Member of consideration (whether in the form of cash or non-cash consideration) in excess of \$100,000,000 that has occurred since the date of such consolidated balance sheet, as if such acquisition or disposition had occurred on the last day of the fiscal period covered by such balance sheet).

“Consolidated Total Net Debt” means, as at any date of determination, (a) the aggregate stated balance sheet amount of all Indebtedness of the Group (or, if higher, the par value or stated face amount of all such Indebtedness (other than zero-coupon Indebtedness)), determined on a consolidated basis in accordance with GAAP, exclusive of any Contingent Liability in respect of any letter of credit, plus (b) to the extent not included in clause (a), any Indebtedness relating to securitization of receivables generated by the Group (whether or not such Indebtedness is on the balance sheet of the Group), minus (c) Unrestricted Cash of the Group as of such date, in an aggregate amount not to exceed \$350,000,000.

“Contingent Liability” means any agreement, undertaking or arrangement by which any Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the Indebtedness of any other Person (other than by endorsements of instruments in the course of collection). The amount of any Person’s obligation under any Contingent Liability shall (subject to any limitation with respect thereto) be deemed to be the outstanding principal amount of the debt, obligation or other liability guaranteed thereby.

“Continuing Directors” means individuals who on the Closing Date constituted the Board of Directors of the Borrower (together with any new directors whose election by such Board of Directors or whose nomination for election by the stockholders of the Borrower was approved by a vote of a majority of the directors of the Borrower then still in office who were either directors on the Closing Date or whose election or nomination for election was previously so approved).

“Contractual Obligation” means, as applied to any Person, any provision of any security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

“Contributing Guarantors” has the meaning set forth in Section 7.02(b).

“Conversion/Continuation Date” means the effective date of a continuation or conversion, as the case may be, as set forth in the applicable Conversion/Continuation Notice.

“Conversion/Continuation Notice” means a Conversion/Continuation Notice substantially in the form of Exhibit A-2.

“Counterpart Agreement” means a Counterpart Agreement substantially in the form of Exhibit F delivered by a Loan Party pursuant to Section 5.10.

“Covenant Relief Period” means the period commencing on the Closing Date and ending on the earlier of (i) the date on which the Administrative Agent receives from the Borrower the

Compliance Certificate in respect of the Borrower's second Fiscal Quarter in its 2021 Fiscal Year and (ii) the date that the Administrative Agent receives a Covenant Relief Period Termination Notice from the Borrower.

“Covenant Relief Period Termination Notice” means a certificate of an Authorized Officer of the Borrower that is delivered to the Administrative Agent at the end of a Fiscal Quarter or a Fiscal Year with the delivery of applicable financial statements and the Compliance Certificate as per Section 5.08 (x) stating that the Borrower irrevocably elects to terminate the Covenant Relief Period effective as of the date on which the Administrative Agent receives such Covenant Relief Period Termination Notice, and (y) certifying that the Borrower is in compliance with the financial covenants in Section 6.04(a) and Section 6.04(b) (in each case, without the carve out applicable for Covenant Relief Period) as of the most recent four-Fiscal-Quarter period, and setting forth in reasonable detail the computations necessary to determine such compliance.

“Covenant Transaction” has the meaning set forth in Section 1.04(c).

“Credit Date” means the date of a Credit Extension.

“Credit Extension” means the making of a Loan.

“Currency Agreement” means any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement or arrangement, each of which is for the purpose of hedging the foreign currency risk of the Group and not for speculative purposes.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

“Debtor Relief Law” means the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, examinership, reorganization or similar debtor relief laws of the United States or other Relevant Jurisdiction from time to time in effect and affecting the rights of creditors generally.

“Default” means a condition or event that, after notice or lapse of time or both, would constitute an Event of Default.

“Default Rate” has the meaning set forth in Section 2.10.

“Defaulting Lender” means any Lender that has (a) failed to fund any portion of its Revolving Commitment within three Business Days of the date required to be funded by it hereunder, unless, in the case of this clause (a), such Lender notifies the Administrative Agent in writing prior to the applicable required funding date that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including

the particular default, if any) has not been satisfied, (b) notified the Borrower, the Administrative Agent or any Lender in writing, or has otherwise indicated through a public statement, that it does not intend to comply with its funding obligations hereunder and generally under agreements in which it commits to extend credit, (c) failed, within three Business Days after receipt of a written request from the Administrative Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Commitments, (d) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute, (e) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, custodian, administrator, examiner, liquidator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, custodian, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or (f) become the subject of a Bail-In Action; provided that a Lender shall not qualify as a Defaulting Lender solely as a result of the acquisition or maintenance of an ownership interest in such Lender or its parent company, or of the exercise of control over such Lender or any Person controlling such Lender, by a Governmental Authority or instrumentality thereof; provided that if the Borrower and the Administrative Agent agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be 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 that portion of outstanding Loans of the other Lenders, whereupon that 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 Borrower 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.

“Documentation Agents” means BofA, JPMorgan, RBC, Truist, Citizens Bank, MUFG Bank, US Bank and Wells Fargo Bank, together with its permitted successors and assigns in such capacity.

“Dollars” or “\$” mean the lawful money of the United States of America.

“Early Opt-in Effective Date” means, with respect to any Early Opt-in Election, the sixth (6<sup>th</sup>) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5<sup>th</sup>) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

“Early Opt-in Election” means the occurrence of:



(1) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the joint election by the Administrative Agent and the Borrower to trigger a fallback from USD LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.

“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.

“Eligible Assignee” means any Person other than a natural Person that is (i) a Lender, an Affiliate of any Lender or a Related Fund (any two or more Related Funds being treated as a single Eligible Assignee for all purposes hereof), or (ii) a commercial bank, insurance company, investment or mutual fund, European Credit Management Limited (ECM) programs or other entity that is an “accredited investor” (as defined in Regulation D under the Securities Act) and which extends credit or buys loans in the ordinary course of business; provided, that neither any Loan Party nor any Affiliate thereof, nor any Defaulting Lender, shall be an Eligible Assignee.

“Employee Benefit Plan” means any “employee benefit plan” as defined in Section 3(3) of ERISA which is or was sponsored, maintained or contributed to by, or required to be contributed by, the Group or any of their respective ERISA Affiliates or with respect to which the Group or any of their respective ERISA Affiliates has or would reasonably be expected to have liability, contingent or otherwise, under ERISA.

“Environmental Claim” means any investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order, decree or directive (conditional or otherwise) by any Governmental Authority or any other Person, arising (i) pursuant to any Environmental Law, (ii) in connection with any actual or alleged violation of, or liability pursuant to, any Environmental Law, (iii) in connection with any Hazardous Material, including the presence or Release of, or exposure to, any Hazardous Materials and any abatement, removal, remedial, corrective or other response action related to Hazardous Materials or (iv) in connection with any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

“Environmental Laws” means any and all current or future foreign or domestic, federal, state or local laws (including any common law), statutes, ordinances, orders, rules, regulations, judgments or any other requirements of Governmental Authorities relating to or imposing liability or standards of conduct with respect to (i) environmental matters, (ii) the generation, use, storage, transportation or disposal of, or exposure to, Hazardous Materials; or (iii) occupational safety and health, industrial hygiene, land use or the protection of human, plant or animal health or welfare, in any manner applicable to any Group Member or any Facility.

“Equity Interests” means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder and any successor thereto.

“ERISA Affiliate” means, as applied to any Person, (i) any corporation which is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of which that Person is a member; (ii) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Internal Revenue Code of which that Person is a member; and (iii) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Internal Revenue Code of which that Person, any corporation described in clause (i) above or any trade or business described in clause (ii) above is a member. Any former ERISA Affiliate of any Group Member shall continue to be considered an ERISA Affiliate of such Group Member within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of such Group Member and with respect to liabilities arising after such period for which such Group Member could be liable under the Internal Revenue Code or ERISA.

“ERISA Event” means (i) a “reportable event” within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the provision for 30-day notice to the PBGC has been waived by a regulation in effect as of the date hereof); (ii) the failure to meet the minimum funding standard of Section 412 or 430 of the Internal Revenue Code or Section 302 or 303 of ERISA with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Internal Revenue Code or Section 302(c) of ERISA) or the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (iii) a determination by the Pension Plan’s actuary that any Pension Plan is, or is expected to be, in “at risk” status (as defined in Section 430 of the Internal Revenue Code or Section 303 of ERISA); (iv) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (v) a determination under and in accordance with said sections that any Multiemployer Plan is, or is expected to be, in “critical” or “endangered” status under Section 432 of the Internal Revenue Code or Section 305 of ERISA; (vi) the withdrawal by any Group Member or any of its ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of

any such Pension Plan resulting in liability to any Group Member or any of its Affiliates pursuant to Section 4063 or 4064 of ERISA; (vii) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which is reasonably likely to constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (viii) the imposition of liability on any Group Member or any of its ERISA Affiliates pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (ix) the withdrawal of any Group Member or any of its ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan, or the receipt by any Group Member or any of its ERISA Affiliates of notice from any Multiemployer Plan that it is in insolvency pursuant to Section 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (x) the imposition of a Lien pursuant to Section 430(k) of the Internal Revenue Code or Section 303(k) of ERISA or a violation of Section 436 of the Internal Revenue Code with respect to any Pension Plan or (xi) any other event or condition with respect to an Employee Benefit Plan with respect to which any Group Member is likely to incur liability other than in the ordinary course.

“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.

“Eurocurrency Rate” means, for any Interest Period, as to any Eurocurrency Rate Loan, the rate *per annum* obtained by dividing (i) (A) the rate *per annum* determined by the Administrative Agent to be the offered rate which appears on the page of the Reuters Screen which displays the London interbank offered rate administered by ICE Benchmark Administration Limited (such page currently being the LIBOR01 page) (the “LIBO Rate”) for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time), two Business Days prior to the commencement of such Interest Period, or (B) in the event the rate referenced in the preceding clause (A) does not appear on such page or service or if such page or service shall cease to be available, the rate determined by the Administrative Agent to be the offered rate on such other page or other service which displays the LIBO Rate for deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period in Dollars, determined as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period, by (ii) an amount equal to one minus the Applicable Reserve Requirement; provided that if LIBO Rates are quoted under either of the preceding clauses (A) or (B), but there is no such quotation for the Interest Period elected, the LIBO Rate shall be equal to the Interpolated Rate. Notwithstanding the foregoing, in no event shall the Eurocurrency Rate be less than 0.00% *per annum*. For purposes of determining the one-month reserve Eurocurrency Rate for Dollars for purposes of a Base Rate Loan on any date, such rate shall be the rate determined in accordance with the definition of “Eurocurrency Rate” hereof, determined two Business Days prior to such date for Dollar deposits with a term of one month commencing that day.

“Eurocurrency Rate Loan” means a Loan bearing interest at a rate determined by reference to the Eurocurrency Rate.

“Event of Default” means any of the conditions or events set forth in Section 8.01.

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, and any successor statute.

“Excluded Taxes” means (i) any Tax imposed on the overall net income of a Person (or franchise tax or minimum tax imposed in lieu thereof) by the jurisdiction in which that Person is organized or in which that Person’s principal office (and/or, in the case of a Lender, its applicable lending office) is located or with which that Person has a present or former connection (other than any connection arising solely from the acquisition and holding of any Loan and/or Commitment (including entering into or being a party to this Agreement), the receipt of payments relating thereto, and/or the exercise of rights and remedies under this Agreement or any other Loan Document); (ii) with respect to any Lender to a Loan (other than a Lender that becomes a Lender pursuant to Section 2.23), any Tax imposed pursuant to the laws of the United States of America or any political subdivision thereof or therein that would apply if any payment were made under any of the Loan Documents to such Lender on the day such Lender becomes a Lender (or designates a new lending office), except to the extent such Lender’s assignor (or such Lender, when it designates a new lending office) was entitled to receive additional amounts pursuant to Section 2.20; (iii) with respect to any Lender, any withholding Tax that is imposed on any payment to such Lender on the day that such Lender becomes a Lender (or designates a new lending office) by any jurisdiction (other than the United States of America or any political subdivision thereof, which shall be governed by clause (ii) hereof), except to the extent such Lender’s assignor (or such Lender, when it designates a new lending office) was entitled to receive additional amounts pursuant to Section 2.20; (iv) any Tax that is attributable to a Lender’s failure to comply with Section 2.20(c) or (v) any U.S. federal withholding Tax imposed by reason of a Lender’s failure to comply with the requirements of 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 or any legislation or other official guidance or official requirements adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (“FATCA”).

“Existing Credit Agreement” means the Credit and Guaranty Agreement, dated as of April 29, 2019 (as amended, supplemented, or otherwise modified prior to the date hereof), among the Borrower, certain subsidiaries of the Borrower party thereto as borrowers, the guarantors from time to time party thereto, the lenders named therein and Barclays as administrative agent.

“Existing Subsidiary Debt” has the meaning set forth in Section 6.03(b).

“Facility” means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased, operated or used by any Group Member or any of its predecessors or Affiliates.

“Fair Share” has the meaning set forth in Section 7.02(b).

“Fair Share Contribution Amount” has the meaning set forth in Section 7.02(b).

“FATCA” has the meaning set forth in the definition of “Excluded Taxes”.

“FDIC” means the Federal Deposit Insurance Corporation and any successor thereto.

“Federal Funds Effective 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 on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided, that (i) if such day is not a Business Day, the Federal Funds Effective 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 (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate charged to the Administrative Agent, in its capacity as a Lender, on such day on such transactions as determined by the Administrative Agent.

“Finance Lease” means, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is or should be accounted for as a finance lease on the balance sheet of that Person.

“Financial Officer” means the principal financial officer of the Borrower.

“Fiscal Quarter” means a fiscal quarter of any Fiscal Year.

“Fiscal Year” means the fiscal year of the Group ending on the Sunday closest to February 1 of each calendar year (or, if the fiscal year-end is changed to some other date, such other date).

“Fitch” means Fitch, Inc.

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Eurocurrency Rate, which as of the date of this Agreement is 0.00%.

“Foreign Subsidiary” means (i) any Subsidiary that is not organized under the laws of the United States, any State thereof or the District of Columbia and (ii) any Subsidiary of a Subsidiary described in clause (i).

“Funding Guarantor” has the meaning set forth in Section 7.02(b).

“GAAP” means, subject to the limitations on the application thereof set forth in Section 1.02, United States generally accepted accounting principles in effect as of the date of determination thereof consistently applied.

“Governmental Authority” means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity, officer or examiner exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, in each case whether associated with a state of the United States, the United States, or a foreign entity or government.

“Governmental Authorization” means any permit, license, authorization, certification, registration, approval, plan, directive, consent order or consent decree of or from any Governmental Authority.

“Group” means, collectively, the Borrower and its Subsidiaries; provided that, as used in Section 5.08(a) and (b) with respect to the financial statements required to be delivered thereunder, it shall mean the Borrower and its consolidated Subsidiaries in accordance with GAAP.

“Group Member” means any of the Borrower or any of its Subsidiaries.

“Group Member Adjusted EBITDA” means, for any period for any Group Member, the amount of Consolidated EBITDA attributable to such Group Member for such period, calculated on an unconsolidated basis and by excluding all intercompany items (provided that, for the purpose of the determination of a Material Company solely as such term is used in Section 8.01(e), Group Member Adjusted EBITDA shall be calculated on a consolidated basis for such Group Member and its Subsidiaries).

“Group Member Assets” means, for any Group Member, as of any date of determination, the total assets of such Group Member, determined in accordance with GAAP, calculated on an unconsolidated basis and by excluding all intercompany items (provided that, for the purpose of the determination of a Material Company solely as such term is used in Section 8.01(e), Group Member Assets shall be calculated on a consolidated basis for such Group Member and its Subsidiaries).

“Guarantee Release Date” means if a Springing Lien Trigger Event has occurred, the subsequent date on which the Public Debt Rating achieves (and the Borrower has delivered notice of such to the Administrative Agent): (i)(a) a rating of BBB- (or the equivalent) or higher by S&P and (b) a rating of Baa3 (or the equivalent) or higher by Moody’s or (ii) at the Borrower’s election, either (A)(1) a rating of BBB- (or the equivalent) or higher by S&P, (2) a rating of Baa3 (or the equivalent) or higher by Moody’s and (3) a rating of BB+ (or the equivalent) or higher by Fitch; (B)(1) a rating of BBB- (or the equivalent) or higher by S&P, (2) a rating of Ba1 (or the equivalent) or higher by Moody’s and (3) a rating of BBB- (or the equivalent) or higher by Fitch; or (C)(1) a rating of BB+ (or the equivalent) or higher by S&P, (2) a rating of Baa3 (or the equivalent) or higher by Moody’s and (3) a rating of BBB- (or the equivalent) or higher by Fitch; provided, that the Borrower is under no obligation to seek a rating from Fitch.

“Guaranteed Obligations” has the meaning set forth in Section 7.01(a).

“Guaranteed Parties” means the Agents and Lenders and shall include, without limitation, all former Agents and Lenders to the extent that any Obligations owing to such Persons were incurred while such Persons were Agents or Lenders and such Obligations have not been paid or satisfied in full.

“Guarantor” means (i) each Subsidiary Guarantor and (ii) each other Subsidiary that has become a party hereto as a Guarantor at the election of the Borrower pursuant to Section 7.01(b) (if any).

“Guaranty” means the guaranty of each Guarantor set forth in Article VII.

“Hazardous Materials” means any pollutant, contaminant, chemical, waste, material or substance, exposure to which or Release of which is prohibited, limited or regulated by any Governmental Authority or which may or could pose a hazard to human health and safety or to

the indoor or outdoor environment, including petroleum, petroleum products, asbestos, urea formaldehyde, radioactive materials, polychlorinated biphenyls and toxic mold.

“Hedge Agreement” means an Interest Rate Agreement, a Commodity Agreement or a Currency Agreement entered into with a Lender Counterparty.

“Highest Lawful Rate” means the maximum lawful interest rate, if any, that at any time or from time to time may be contracted for, charged, or received under the laws applicable to any Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum non-usurious interest rate than applicable laws now allow.

“Historical Financial Statements” means the audited consolidated financial statements of the Borrower consisting of balance sheets as of February 2, 2020 and January 31, 2021 and income statements and statements of stockholders’ equity and cash flows for Fiscal Year 2020, 2019 and 2018 and an unqualified audit report relating thereto.

“Immaterial Subsidiary” means any Subsidiary that is not a Material Company.

“Increased-Cost Lender” has the meaning set forth in Section 2.23.

“Indebtedness” means, as applied to any Person, without duplication, (i) all indebtedness for borrowed money; (ii) that portion of obligations with respect to Finance Leases that is properly classified as a capitalized liability on a balance sheet in conformity with GAAP; (iii) obligations evidenced by bonds, debentures, notes or other similar instruments; (iv) any obligation owed for all or any part of the deferred purchase price of property or services (excluding trade accounts payable and accrued expenses in the ordinary course of business which are not overdue for a period of more than 90 days or, if overdue for more than 90 days, as to which a dispute exists and adequate reserves in conformity with GAAP have been established on the books of such Person and any such obligations incurred under ERISA), which purchase price is (a) due more than six months from the date of incurrence of the obligation in respect thereof or (b) evidenced by a note or similar written instrument in each case to the extent that the same would be required to be shown as a long term liability on a balance sheet prepared in accordance with GAAP (it being understood that the amount of any such obligation shall be calculated in each case, in accordance with GAAP); (v) all indebtedness secured by any Lien on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is nonrecourse to the credit of that Person (provided that if the recourse to such Person in respect of such indebtedness is limited solely to the property subject to such Lien, the amount of such indebtedness shall be deemed to be the fair market value (as determined in good faith by such Person) of the property subject to such Lien or the amount of such indebtedness if less); (vi) the face amount of any letter of credit issued for the account of that Person or as to which that Person is otherwise liable for reimbursement of drawings; provided such letter of credit is issued by a Person other than the Borrower and its Subsidiaries; (vii) [reserved], (viii) the net payments that such Person would have to make in the event of any early termination, on the date Indebtedness of such Person is being determined, in respect of any exchange traded or over the counter derivative transaction, including any Hedge Agreement, in each case, whether entered into for hedging or speculative purposes; provided, that in no event shall obligations under any derivative transaction be deemed “Indebtedness” for any purpose

under Section 6.04 or for the purpose of calculating the Net Leverage Ratio unless such obligations relate to a derivatives transaction which has been terminated; (ix) the full outstanding balance of trade receivables, notes or other instruments sold with full recourse in a factoring or similar transaction, other than in any such case any thereof sold solely for purposes of collection of delinquent accounts and (x) any Contingent Liability with respect to the foregoing. The Indebtedness of any Person shall include the Indebtedness of any other Person (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such Person, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

“Indemnified Liabilities” means, collectively, any and all liabilities, obligations, losses, damages (including natural resource damages), penalties, claims (including Environmental Claims), actions, judgments, suits, costs (including the costs of any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other necessary response action related to the Release or presence of any Hazardous Materials), expenses and disbursements of any kind or nature whatsoever (including any of the foregoing in connection with any investigative, administrative or judicial proceeding or hearing commenced or threatened by any Group Member, its Affiliates or any other Person, whether or not any such Indemnitee shall be designated as a party or a potential party thereto, and any fees or expenses incurred by Indemnitees in enforcing this indemnity), whether direct, indirect, special or consequential and whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations and Environmental Laws), on common law or equitable cause or on contract or otherwise, that may be imposed on, incurred by, or asserted against any such Indemnitee, in any manner relating to or arising out of (i) this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (including the Lenders' agreement to make Credit Extensions, the syndication of the credit facilities provided for herein or the use or intended use of the proceeds thereof, or any enforcement of any of the Loan Documents (including any sale of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty)); (ii) the commitment letter (and any related fee letter) delivered by any Agent or any Lender to the Borrower with respect to the transactions contemplated by this Agreement; (iii) any Environmental Claim relating to or arising from, directly or indirectly, any past or present activity, operation, land ownership, or practice of any Group Member; or (iv) any Loan or the use of proceeds thereof.

“Indemnified Taxes” means any Taxes (including Other Taxes) other than Excluded Taxes.

“Indemnitee” has the meaning set forth in Section 10.03(a).

“Intellectual Property” means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under the United States, multinational or foreign laws or otherwise, and the right to sue or otherwise recover for any past, present and future infringement, dilution, misappropriation, or other violation or impairment thereof, including the right to receive all proceeds therefrom, including without limitation license fees, royalties, income, payments, claims, damages and proceeds of suit, now or hereafter due and/or payable with respect thereto.

“Intercreditor Agreement” has the meaning set forth in Section 9.02.



“Interest Coverage Ratio” means the ratio as of the last day of any Fiscal Quarter of (i) Consolidated EBITDA for the four-Fiscal-Quarter period then ended to (ii) Consolidated Cash Interest Expense for such four-Fiscal-Quarter period.

“Interest Payment Date” means, with respect to (i) any Loan that is a Base Rate Loan, each March 31, June 30, September 30 and December 31 of each year, commencing on the first such date to occur after the Closing Date and the final maturity date of such Loan; and (ii) any Loan that is a Eurocurrency Rate Loan, the last day of each Interest Period applicable to such Loan; provided, that in the case of each Interest Period of longer than three months “Interest Payment Date” shall also include each date that is three months, or an integral multiple thereof, after the commencement of such Interest Period.

“Interest Period” means, in connection with a Eurocurrency Rate Loan, an interest period of one, three or six months (or, if available to all of the Lenders, 12 months), as selected by the Borrower in the applicable Borrowing Notice or Conversion/Continuation Notice, (i) initially, commencing on the Credit Date or Conversion/Continuation Date thereof, as the case may be; and (ii) thereafter, commencing on the day on which the immediately preceding Interest Period expires; provided, that (a) if an Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day unless no further Business Day occurs in such month, in which case such Interest Period shall expire on the immediately preceding Business Day; (b) any Interest Period in respect of a Eurocurrency 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, subject to clause (c), of this definition, end on the last Business Day of a calendar month; and (c) no Interest Period with respect to any portion of any Revolving Loans shall extend beyond the Revolving Commitment Termination Date.

“Interest Rate Agreement” means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedging agreement or other similar agreement or arrangement, each of which is for the purpose of hedging the interest rate exposure associated with the operations of the Group and not for speculative purposes.

“Interest Rate Determination Date” means, with respect to any Interest Period, the date that is two Business Days prior to the first day of such Interest Period.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended to the date hereof and from time to time hereafter, and any successor statute.

“Interpolated Rate” means the rate which results from interpolating on a linear basis between: (i) the applicable LIBO Rate for the longest period (for which that LIBO Rate is available) which is less than the Interest Period of that Loan and (ii) the applicable LIBO Rate for the shortest period (for which that LIBO Rate is available) which exceeds the Interest Period of that Loan, each as of approximately 11:00 a.m. (London, England time) two Business Days prior to the commencement of such Interest Period of that Loan.

“IRS” means the United States Internal Revenue Service.

“JPMorgan” has the meaning specified in the preamble hereto.

“Judgment Currency” has the meaning set forth in Section 10.25.

“Lender” means each financial institution listed on the signature pages hereto as a Lender, and any other Person that becomes a party hereto pursuant to an Assignment Agreement.

“Lender Counterparty” means a “Lender Counterparty” as defined in the Existing Credit Agreement.

“LIBO Rate” has the meaning set forth in the definition of “Eurocurrency Rate”.

“Lien” means any lien, security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement having the practical effect of any of the foregoing; provided that in no event shall an operating lease or an agreement to sell be deemed to constitute a Lien.

“Liquidity” has the meaning set forth in Section 6.04(c).

“Loan” means a Revolving Loan, which may be a Base Rate Loan or a Eurocurrency Rate Loan.

“Loan Document” means any of this Agreement, the Notes, if any, and all other documents, instruments or agreements executed and delivered by a Loan Party for the benefit of any Agent or any Lender in connection herewith on or after the Closing Date, including any Security Documents, as applicable.

“Loan Party” means the Borrower and each Guarantor (if any).

“Margin Stock” has the meaning given in Regulation U of the Board of Governors as in effect from time to time.

“Market Disruption” means any Interest Rate Determination Date on which (i) the Administrative Agent shall have determined (which determination shall be final and conclusive and binding upon all parties hereto), with respect to any Eurocurrency Rate Loans, that by reason of circumstances affecting the London interbank market adequate and fair means do not exist for ascertaining the interest rate applicable to such Loans on the basis provided for in the definition of Eurocurrency Rate, or (ii) before the close of business in London on such Interest Rate Determination Date, the Administrative Agent receives notifications from a Lender or Lenders (whose aggregate exposure in respect of the Loans exceeds 50.0% of the Loans) that the cost to it of obtaining matching deposits in the London interbank market would be in excess of the Eurocurrency Rate.

“Material Adverse Effect” means any event, development or circumstance that has had or would reasonably be expected to have a material adverse effect on (i) the business, assets, operations or financial condition of the Group (other than any Securitization Subsidiary) taken as a whole (other than, at any time prior to January 31, 2022, resulting from any event, development or circumstance (A) related to the COVID-19 pandemic that was disclosed to the Lenders, or otherwise publicly disclosed, on or prior to the Closing Date or (B) that was reasonably foreseeable in light of any event, development or circumstance described in the foregoing clause (A), including store closures, supply chain disruptions and inventory charges, which in each case shall be disregarded); (ii) the ability of the Loan Parties (taken as a whole) to pay the Obligations

under the Loan Documents; or (iii) the rights and remedies available to, or conferred upon, any Agent and any Lender or any other Guaranteed Party under any Loan Document in any manner (including the legality, validity, binding effect or enforceability of the Loan Documents against the Loan Parties) that would be prejudicial to the interests of the Guaranteed Parties, taken as a whole.

“Material Company” means (i) any Group Member that is listed in Schedule 1.01(g) or (ii) any Group Member that has (x) Group Member Adjusted EBITDA or (y) Group Member Assets representing, respectively, 5% or more of Consolidated EBITDA or Consolidated Total Assets. For this purpose:

(a) the (i) Group Member Adjusted EBITDA and (ii) Group Member Assets will be determined from its financial statements upon which the latest audited financial statements of the Group have been based;

(b) if a Subsidiary becomes a Group Member after the date on which the latest audited financial statements of the Group have been prepared, the (i) Group Member Adjusted EBITDA or (ii) Group Member Assets of that Subsidiary will be determined from its latest financial statements;

(c) the (i) Consolidated EBITDA and (ii) Consolidated Total Assets will be determined from its latest audited financial statements, adjusted (where appropriate) to take into account *pro forma* adjustments of the type described in the definition of “Consolidated EBITDA” and “Consolidated Total Assets”, as applicable; and

(d) if a Material Company disposes of all or substantially all of its assets to another Group Member, it will immediately cease to be a Material Company and the other Group Member (if it is not already) will immediately become a Material Company.

“Material Indebtedness” means Indebtedness (other than the Loans hereunder) of any one or more of the Borrower or any Subsidiary in an individual principal amount (or Net Mark-to-Market Exposure) of \$150,000,000 or more.

“Material Intellectual Property” means any Intellectual Property that is material to the business of any Group Member.

“Moody’s” means Moody’s Investors Service, Inc.

“MUFG Bank” has the meaning specified in the preamble hereto.

“Multiemployer Plan” means any Employee Benefit Plan which is a “multiemployer plan” as defined in Section 3(37) or Section 4001(a)(3) of ERISA.

“NAIC” means The National Association of Insurance Commissioners, and any successor thereto.

“Net Leverage Ratio” means the ratio as of the last day of any Fiscal Quarter of (i) Consolidated Total Net Debt as of such day to (ii) Consolidated EBITDA for the four-Fiscal-Quarter period ending on such date.

“Net Mark-to-Market Exposure” of a Person means, as of any date of determination, the excess (if any) of all unrealized losses over all unrealized profits of such Person arising from Hedge Agreements or other Indebtedness of the type described in clause (viii) of the definition thereof. As used in this definition, “unrealized losses” means the fair market value of the cost to such Person of replacing such Hedge Agreement or such other Indebtedness as of the date of determination (assuming the Hedge Agreement or such other Indebtedness were to be terminated as of that date), and “unrealized profits” means the fair market value of the gain to such Person of replacing such Hedge Agreement or such other Indebtedness as of the date of determination (assuming such Hedge Agreement or such other Indebtedness were to be terminated as of that date).

“Non-Consenting Lender” has the meaning set forth in Section 2.23.

“Non-U.S. Lender” has the meaning set forth in Section 2.20(c).

“Note” means a Revolving Loan Note.

“Notice” means a Borrowing Notice or a Conversion/ Continuation Notice.

“Obligations” means all obligations of every nature of each Loan Party, including obligations from time to time owed to Guaranteed Parties, under any Loan Document whether for principal, interest (including interest which, but for the filing of a petition in bankruptcy, would have accrued on any Obligation, whether or not a claim is allowed for such interest in the related bankruptcy proceeding), fees, expenses, indemnification or otherwise.

“Organizational Documents” means, with respect to any Person, all formation, organizational and governing documents, instruments and agreements, including (i) with respect to any corporation, its certificate or articles of incorporation or organization, its by-laws, any memorandum of incorporation or other constitutional documents, (ii) with respect to any limited partnership, its certificate of limited partnership and its partnership agreement, (iii) with respect to any general partnership, its partnership agreement (if any) and (iv) with respect to any limited liability company, its certificate of incorporation or formation (and any amendments thereto), certificate of incorporation on change of name (if any), its memorandum and articles of association (if any), its articles of organization (if any), the shareholders’ list (if any) and its limited liability company agreement or operating agreement. In the event any term or condition of this Agreement or any other Loan Document requires any Organizational Document to be certified by a secretary of state or similar governmental official, the reference to any such “Organizational Document” shall only be to a document of a type customarily certified by such governmental official.

“Other Taxes” means any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes or any other excise or property Taxes, charges or similar levies (and interest, fines, penalties and additions related thereto) arising from any payment made hereunder or from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, this Agreement or any other Loan Document.

“Parent Entity” has the meaning set forth in the definition of “Change of Control”.

“Participant Register” has the meaning set forth in Section 10.06(g)(iv).

“PATRIOT Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56.

“Payment” has the meaning assigned to it in Section 9.13(a).

“Payment in Full” or “Paid in Full” means the payment in full of all Obligations (other than contingent obligations not yet due and payable) and termination of all Commitments to lend under this Agreement.

“Payment Notice” has the meaning assigned to it in Section 9.13(b).

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

“Pension Plan” means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to Section 412 or Section 430 of the Internal Revenue Code or Title IV or Section 302 or Section 303 of ERISA.

“Permitted Bond Hedge Transactions” means any call, capped call, option (or economically equivalent or similar swap or other derivative transaction) relating to the common stock of the Borrower (or other securities and/or property of the Borrower that the applicable Permitted Convertible Indebtedness is convertible or exchangeable into, in accordance with the terms thereof) purchased by the Borrower in connection with the issuance of any Permitted Convertible Indebtedness.

“Permitted Convertible Indebtedness” means, any Indebtedness of the Borrower that is convertible into, or exchangeable for, common stock in the Borrower (or other securities and/or property that such Indebtedness is convertible or exchangeable into in accordance with the terms thereof), cash (such amount of cash determined by reference to the price of such common stock, or such other securities and/or property), or any combination of any of the foregoing, and cash in lieu of fractional shares of common stock.

“Permitted Liens” means:

- (a) Liens granted by any Subsidiary of the Borrower in favor of the Borrower or any other Subsidiary of the Borrower;
- (b) Liens (other than Liens created or imposed under ERISA) for taxes, assessments or governmental charges or levies not overdue for a period of more than 30 days or Liens for taxes being contested in good faith by appropriate proceedings for which adequate reserves determined in accordance with GAAP have been established;
- (c) Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and suppliers and other Liens imposed by law or pursuant to customary reservations or retentions of title arising in the ordinary course of business;

(d) Liens (other than Liens created or imposed under ERISA) incurred or deposits made by the Borrower and its Subsidiaries in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(e) Liens in connection with judgment bonds so long as the enforcement of such Liens is effectively stayed and the claims secured thereby are being contested in good faith by appropriate proceedings and as to which appropriate reserves are being maintained in accordance with generally accepted accounting practices;

(f) zoning restrictions, easements, rights of way and other encumbrances on title to real property that do not render title to the property encumbered thereby unmarketable or materially adversely affect the use of such property for its present purposes;

(g) leases or subleases granted to others not interfering in any material respect with the business of the Borrower and its Subsidiaries taken as a whole and any interest of title of any lessor under any lease;

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

(i) normal and customary rights of setoff or pledge upon deposits of cash in favor of banks or other depository institutions and Liens of a collection bank arising under Section 4-210 of the UCC on items in the course of collection;

(j) Liens on any inventory of the Borrower or any of its Subsidiaries in favor of a vendor of such inventory, arising in the normal course of business upon its sale to the Borrower or any such Subsidiary;

(k) Liens in respect of licensing of Intellectual Property in the ordinary course of business;

(l) protective UCC filings with respect to any leased or consigned personal property;

(m) Liens on insurance policies and the proceeds thereof securing the financing or payment of premiums with respect thereto in the ordinary course of business, to the extent not exceeding the amount of such premiums;

(n) Liens incurred in the ordinary course of business on the proceeds of prepaid cards or stored value cards; and

(o) Liens on cash or cash equivalents that are the proceeds of any Indebtedness issued in escrow or that have been deposited pursuant to discharge, redemption or defeasance provisions under the indenture or similar instrument governing any Indebtedness.

“Permitted Warrant Transactions” means any call option, warrant, or right to purchase (or economically equivalent or similar swap or other derivative transaction) relating to the common stock of the Borrower (or other securities and/or property of the Borrower that the applicable Permitted Convertible Indebtedness is convertible or exchangeable into, in accordance with the terms thereof) sold or issued by the Borrower substantially concurrently with any purchase by the Borrower of related Permitted Bond Hedge Transactions, and the performance by the Borrower of its obligations thereunder.

“Person” means and includes natural persons, corporations, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and Governmental Authorities.

“Platform” means IntraLinks, SyndTrak or another relevant website or other information platform through which the Lenders can receive information.

“Pledge and Security Agreement” means an agreement in form and substance substantially consistent with the U.S. Pledge and Security Agreement, dated as of February 13, 2013, executed by the Borrower and each U.S. Guarantor (as defined in the Predecessor Credit Agreement) (other than CKI and the CKI Affiliates (each as defined in the Predecessor Credit Agreement)), as amended, restated, supplemented or otherwise modified from time to time prior to the date of the Existing Credit Agreement, modified to include customary provisions regarding notices, collateral deliveries and information with respect to any collateral pledged thereunder and requirements with respect to after acquired assets (in each case, substantially consistent with those set forth in the Predecessor Credit Agreement), and such other provisions as the Borrower and the Administrative Agent shall reasonably agree.

“Predecessor Credit Agreement” means the Amended and Restated Credit and Guaranty Agreement, dated as of March 21, 2014 (as amended to reflect the Second Amendment dated as of May 19, 2016 and as further amended, supplemented, or otherwise modified prior to the date hereof), among the Borrower, certain subsidiaries of the Borrower, the lenders named therein and Barclays Bank PLC as administrative agent and collateral agent.

“Pricing Level Adjustment” means, for purposes of determining the Applicable Margin and the Applicable Revolving Commitment Fee Percentage, (a) if the Public Debt Rating shall fall within a different pricing level than the Net Leverage Ratio, the Applicable Margin and the Applicable Revolving Commitment Fee Percentage shall be based upon the lower pricing level unless such Public Debt Rating and Net Leverage Ratio differ by two or more pricing levels, in which case the applicable pricing level will be deemed to be one pricing level below the higher of such pricing levels, (b) if only one of S&P and Moody’s have in effect a Public Debt Rating, the Applicable Margin and the Applicable Revolving Commitment Fee Percentage shall be determined by reference to the available rating, (c) if neither S&P nor Moody’s shall have in effect a Public Debt Rating, the Public Debt Ratings component (but not, for the avoidance of doubt, the Net Leverage Ratio component) of the applicable margin and the commitment fee shall be set in accordance with pricing level V under the charts set forth in the definition of “Applicable Margin” and “Applicable Revolving Commitment Fee Percentage”, as applicable,

(d) if the Public Debt Ratings established by S&P and Moody's shall fall within different pricing levels, the Applicable Margin and the Applicable Revolving Commitment Fee Percentage shall be based upon the higher rating unless such ratings differ by two or more pricing levels, in which case the applicable pricing level will be deemed to be one pricing level below the higher of such pricing levels, (e) if S&P or Moody's shall change the basis on which ratings are established, each reference to the Public Debt Rating announced by S&P or Moody's, as the case may be, shall refer to the then equivalent rating by S&P or Moody's, as the case may be, and (f) if the Borrower fails to deliver the financial statements or Compliance Certificate within the time period specified in Section 5.08(a) or (b), as applicable, then, during the period from the date such financial statements or Compliance Certificate were required to have been delivered until delivery, the Net Leverage Ratio component (but not, for the avoidance of doubt, the Public Debt Ratings component) of the Applicable Margin for the Loans shall be set in accordance with pricing level V under the chart set forth under the definition "Applicable Margin" and the Net Leverage Ratio component (but not, for the avoidance of doubt, the Public Debt Ratings component) of the Applicable Revolving Commitment Fee Percentage shall be set in accordance with pricing level V under the chart set forth under the definition "Applicable Revolving Commitment Fee Percentage", as applicable.

"Prime Rate" has the meaning set forth in the definition of "Base Rate".

"Principal Office" means the Administrative Agent's "Principal Office" which may include one or more separate offices as set forth on Schedule 10.01(a), or such other office or office of a third party or sub-agent, as appropriate, as the Administrative Agent may from time to time designate in writing to the Borrower and each Lender.

"Pro Rata Share" means, with respect to all payments, computations and other matters relating to the Revolving Commitment or Revolving Loans of any Lender, as the context requires, the percentage obtained by dividing (1) the Revolving Exposure of that Lender by (2) the aggregate Revolving Exposure of all Lenders. For all other purposes with respect to each Lender, "Pro Rata Share" means the percentage obtained by dividing (i) an amount equal to the sum of the Revolving Exposure by (ii) an amount equal to the sum of the aggregate Revolving Exposure.

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Public Debt Rating" means, as of any date, the public rating that has been most recently announced by S&P and/or Moody's (and/or, at the Borrower's election (in its sole discretion) for purposes of determining whether the Guarantee Release Date has occurred, Fitch), as the case may be, with respect to the senior, unsecured, non-credit enhanced, long-term debt of the Borrower, or if any such rating agency shall have issued more than one such public rating, the lowest such public rating issued by such rating agency.

"Qualified Securitization Financing" means any transaction or series of transactions entered into by a Group Member pursuant to which such Group Member, sells, conveys, contributes, assigns, grants an interest in or otherwise transfers to a Securitization Subsidiary, Securitization Assets (and/or grants a security interest in such Securitization Assets transferred or purported to be transferred to such Securitization Subsidiary), and which Securitization Subsidiary funds the acquisition of such Securitization Assets (i) with cash, (ii) through the issuance to such Group



Member of Seller's Retained Interests or an increase in such Seller's Retained Interests, and/or (iii) with proceeds from the sale, pledge or collection of Securitization Assets.

“Qualifying Acquisition” shall mean any Subject Acquisition with Acquisition Consideration of at least \$200,000,000.

“RBC” has the meaning specified in the preamble hereto.

“Real Estate Assets” means, at any time of determination, any interest (fee or leasehold) then owned by the Borrower or any of its Subsidiaries in any real property.

“Register” has the meaning set forth in Section 2.07(b).

“Regulation D” means Regulation D of the Board of Governors, as in effect from time to time.

“Regulation U” means Regulation U of the Board of Governors, as in effect from time to time.

“Related Fund” means, with respect to any Lender that is an investment fund, any other investment fund that invests in commercial loans and that is managed or advised by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

“Release” means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material into the indoor or outdoor environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Relevant Jurisdiction” means, in relation to a Loan Party: (i) its jurisdiction of organization; and (ii) any jurisdiction where it conducts its business.

“Replacement Lender” has the meaning set forth in Section 2.23.

“Required Lenders” means one or more Lenders having or holding Revolving Exposure and representing more than 50.0% of the sum of the aggregate Revolving Exposure of all Lenders.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Revolving Commitment” means the commitment of a Lender to make or otherwise fund any Revolving Loan and “Revolving Commitments” means such Commitments of all Lenders in the aggregate. The amount of each Lender's Revolving Commitment, if any, is set forth on Schedule 2.02 or in the applicable Assignment Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Revolving Commitments as of the Closing Date is \$275,000,000.

“Revolving Commitment Period” means the period from and including the Closing Date to but excluding the Revolving Commitment Termination Date.

“Revolving Commitment Termination Date” means the earliest to occur of (i) April 27, 2022, (ii) the date such Revolving Commitments are permanently reduced to zero pursuant to Section 2.13(b) or Section 2.14 and (iii) the date of the termination of such Revolving Commitments pursuant to Section 8.01.

“Revolving Exposure” means, with respect to any Lender as of any date of determination, (i) prior to the termination of such Lender’s Revolving Commitments, that Lender’s Revolving Commitment and (ii) after the termination of such Lender’s Revolving Commitments, the sum of the aggregate outstanding principal amount of the Revolving Loans of that Lender.

“Revolving Loan” means Loans made by a Lender in respect of its Revolving Commitment to the Borrower pursuant to Section 2.02(a).

“Revolving Loan Note” means a promissory note substantially in the form of Exhibit B, as it may be amended, restated, supplemented or otherwise modified from time to time.

“S&P” means Standard & Poor’s Financial Services LLC.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions.

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the Office of the Superintendent of Financial Institutions, the European Union or Her Majesty’s Treasury of the United Kingdom, and (b) any Person majority-owned or controlled by any such Person or Persons described in the foregoing clause (a).

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) the European Union or Her Majesty’s Treasury of the United Kingdom or (c) the Office of the Superintendent of Financial Institutions.

“SEC” means the United States Securities and Exchange Commission and any successor Governmental Authority performing a similar function.

“Securities Act” means the Securities Act of 1933, as amended from time to time, and any successor statute.

“Securitization Assets” means any accounts receivable owed to a Group Member (whether now existing or arising or acquired in the future) arising in the ordinary course of business from the sale of goods or services, all collateral securing such accounts receivable, all contracts and contract rights and all guarantees or other obligations in respect of such accounts receivable, all proceeds of such accounts receivable and other assets (including contract rights) which are of the

type customarily transferred or in respect of which security interests are customarily granted in connection with securitizations of accounts receivable and which are sold, conveyed, contributed, assigned, pledged or otherwise transferred by such Group Member to a Securitization Subsidiary.

“Securitization Repurchase Obligation” means any obligation of a seller of Securitization Assets in a Qualified Securitization Financing to repurchase Securitization Assets arising as a result of a breach of a representation, warranty or covenant with respect to such Securitization Assets, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off set, counterclaim or other dilution of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller, but in each case, not as a result of such receivable being or becoming uncollectible for credit reasons.

“Securitization Subsidiary” means a Wholly-Owned Subsidiary of the Borrower (or another Person formed for the purposes of engaging in a Qualified Securitization Financing in which any Group Member makes an investment and to which such Group Member transfers, contributes, sells, conveys or grants a security interest in Securitization Assets) that engages in no activities other than in connection with the acquisition and/or financing of Securitization Assets of the Group, all proceeds thereof and all rights (contingent and other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of the Borrower (or a duly authorized committee thereof) or such other Person (as provided below) as a Securitization Subsidiary and (a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by any Group Member, other than another Securitization Subsidiary (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates any Group Member, other than another Securitization Subsidiary, in any way other than pursuant to Standard Securitization Undertakings or (iii) subjects any property or asset (other than Securitization Assets) of any Group Member, other than another Securitization Subsidiary, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings, (b) with which no Group Member, other than another Securitization Subsidiary, has any material contract, agreement, arrangement or understanding other than (i) the applicable receivables purchase agreements and related agreements, in each case, having reasonably customary terms, or (ii) on terms which the Borrower reasonably believes to be no less favorable to the applicable Group Member than those that might be obtained at the time from Persons that are not Affiliates of the Group and (c) to which no Group Member other than another Securitization Subsidiary, has any obligation to maintain or preserve such entity’s financial condition or cause such entity to achieve certain levels of operating results. Any such designation by the Board of Directors of the Borrower (or a duly authorized committee thereof) or such other Person shall be evidenced to the Administrative Agent by delivery to the Administrative Agent of a certified copy of the resolution of the Board of Directors of the Borrower (or a duly authorized committee thereof) or such other Person giving effect to such designation and a certificate executed by an Authorized Officer certifying that such designation complied with the foregoing conditions.

“Security Documents” means, when and if executed, the Pledge and Security Agreement and all other instruments, documents and agreements delivered by the Borrower or any Guarantor

pursuant to this Agreement or any of the other Loan Documents in order to grant to the Collateral Agent, for the benefit of the Guaranteed Parties, a lien on any assets or property of the Borrower or that Guarantor as security for all or certain of the Obligations.

“Seller’s Retained Interests” means the debt or Equity Interests held by any Group Member in a Securitization Subsidiary to which Securitization Assets have been transferred, including any such debt or equity received as consideration for or as a portion of the purchase price for the Securitization Assets transferred, or any other instrument through which such Group Member has rights to or receives distributions in respect of any residual or excess interest in the Securitization Assets.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured overnight financing rate from time to time).

“Solvency Certificate” means a Solvency Certificate of the Financial Officer substantially in the form of Exhibit E-2.

“Solvent” means, with respect to the Group on a consolidated basis, that as of the date of determination, (a) the sum of the Group’s debt (including contingent liabilities) does not exceed the present fair saleable value of the Group’s present assets; (b) the Group’s capital is not unreasonably small in relation to its business as of the date of determination; and (c) the Group has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, Indebtedness beyond its ability to pay such Indebtedness as they become due (whether at maturity or otherwise). For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

“Springing Lien Period” means the period from and after the date on which a Springing Lien Trigger Event occurs and the Borrower and the Subsidiary Guarantors have complied with Section 5.13 to but excluding the Guarantee Release Date.

“Springing Lien Trigger Event” means, solely during the Covenant Relief Period, the Public Debt Rating is (1) a rating of BB+ (or the equivalent) or lower by S&P and (2) a rating of Ba1 (or the equivalent) or lower by Moody’s.

“Standard Securitization Undertakings” means representations, warranties, covenants, Securitization Repurchase Obligations and indemnities entered into by any Group Member that are reasonably customary in accounts receivable securitization transactions.

“Subject Acquisition” means any acquisition by the Borrower and/or any of its Wholly-Owned Subsidiaries of, or any transaction that results in the Borrower and/or any of its Wholly-Owned Subsidiaries owning, whether by purchase, merger, exclusive inbound license, transfer of rights

under copyright or otherwise, all or substantially all of the assets of, all of the Equity Interests of, or a business line or unit or a division of, any Person.

“Subsidiary” means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50.0% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; provided, that in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a “qualifying share” of the former Person shall be deemed to be outstanding; provided, further, that for purposes of Article IV and Article V, no Securitization Subsidiary shall be considered a Subsidiary of the Borrower; provided, further, that, notwithstanding anything contained herein or otherwise, for purposes of this Agreement and any other Loan Document, the CKI Trust shall not be considered a Subsidiary of the Borrower; and provided, further, that, unless the context otherwise requires, a Subsidiary shall mean a direct or indirect Subsidiary of the Borrower.

“Subsidiary Guarantor” means each U.S. Subsidiary that is a Wholly-Owned Subsidiary and is required to become a party hereto as a Guarantor pursuant to Section 5.10 or Section 5.13 and has so become a Guarantor; provided that, in no event shall any of the following Persons be required to become a Subsidiary Guarantor:

(a) Immaterial Subsidiaries;

(b) any Subsidiary that is prohibited by applicable law, rule, regulation or contract (with respect to any such contractual restriction, only to the extent existing on the Closing Date or on the date the applicable Person becomes a direct or indirect Subsidiary of the Borrower so long as such contractual restriction was not created in contemplation of the provisions of a Guaranty) from guaranteeing the Obligations hereunder or which would require governmental (including regulatory) consent, approval, license or authorization to provide a Guaranty (unless such consent, approval, license or authorization has been received);

(c) any Subsidiary for which the provision of a Guaranty could reasonably be expected to result in a material adverse tax consequence to the Borrower or one of its subsidiaries as determined in good faith by the Borrower;

(d) any Subsidiary that owns, directly, or indirectly, no material assets other than the Equity Interests (or Equity Interests and Indebtedness) of one or more Foreign Subsidiaries; or

(e) any Securitization Subsidiary;

provided, further, that after the Guarantee Release Date, upon written notice by the Borrower to the Administrative Agent, any Subsidiary that has been released from its Guaranty shall not be a Subsidiary Guarantor hereunder (unless the Borrower has elected, at its option, to cause such Subsidiary to be a Subsidiary Guarantor hereunder).

“Syndication Agent” has the meaning specified in the preamble hereto.

“Tax” means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding (and interest, fines, penalties and additions related thereto) of any nature and whatever called, imposed, levied, collected, withheld or assessed by any Governmental Authority.

“Term SOFR” means, for the applicable corresponding tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Terminated Lender” has the meaning set forth in Section 2.23.

“Total Utilization of Revolving Commitments” means, as at any date of determination, the aggregate principal amount of all outstanding Revolving Loans.

“Transactions” means the execution, delivery and performance by the Loan Parties of this Agreement and the other Loan Documents, the borrowing of Loans, the use of the proceeds thereof, all transactions in connection with or related to the foregoing and the payment of fees, costs and expenses relating to each of the foregoing.

“Treasury Transaction” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and not for speculative purposes.

“Truist” has the meaning specified in the preamble hereto.

“Type of Loan” means a Base Rate Loan or a Eurocurrency Rate Loan.

“UCC” means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in any applicable jurisdiction.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unrestricted Cash” means, with respect to any Person, as of any date of determination, cash or cash equivalents of such Person and its Subsidiaries that would not appear as “restricted”, in accordance with GAAP, on a consolidated balance sheet of such Person and its Subsidiaries as of such date.

“U.S. Lender” has the meaning set forth in Section 2.20(c).

“U.S. Subsidiary” means any Subsidiary other than a Foreign Subsidiary.

“US Bank” has the meaning specified in the preamble hereto.

“USD LIBOR” means the London interbank offered rate for Dollars.

“Voting Stock” has the meaning set forth in the definition of “Change of Control”.

“Wells Fargo Bank” has the meaning specified in the preamble hereto.

“Wholly-Owned Subsidiary” means, with respect to any Person, any other Person all of the Equity Interests of which (other than (x) directors’ qualifying shares and (y) shares issued to foreign nationals to the extent required by applicable law) are owned by such Person directly and/or indirectly through other wholly-owned Subsidiaries of such Person.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

**Section 1.02 Accounting Terms.** Except as otherwise expressly provided herein, all accounting terms not otherwise defined herein shall have the meanings assigned to them in conformity with GAAP. Financial statements and other information required to be delivered by the Borrower to Lenders pursuant to Sections 5.08(a) and 5.08(b) shall be prepared in accordance with GAAP as in effect at the time of such preparation (and delivered together with the reconciliation statements provided for thereunder, if applicable). Subject to the foregoing, calculations in connection with the definitions, covenants and other provisions hereof shall utilize accounting principles and policies in material conformity with GAAP; provided, that if a change in GAAP would materially change the calculation of the financial covenants, standards or terms of this Agreement, (i) the Borrower shall provide prompt notice of such change to the Administrative Agent and (ii) the Borrower or the Administrative Agent may request that such calculations continue to be made in accordance with GAAP without giving effect to such change (in which case the Borrower, the Administrative Agent and the Lenders agree to negotiate in good faith to amend the provisions hereof to eliminate the effect of such change in GAAP, but until such amendment is entered into, the calculations shall be made in accordance with GAAP without giving effect to such change).

**Section 1.03 Interpretation, Etc.** Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. References herein to any Article, Section, Schedule or Exhibit shall be to an Article, a Section, a Schedule or an Exhibit, as the case may be, hereof unless otherwise specifically provided. The use herein of the word “include” or “including”, when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or

matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. The word “will” shall be construed to have the same meaning and effect as the word “shall”; and the words “asset” and “property” shall be construed as having 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. The terms lease and license shall include sub-lease and sub-license, as applicable. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. Except as otherwise expressly provided herein or therein, any reference in this Agreement or any other Loan Document to any agreement, document or instrument shall mean such agreement, document or instrument as amended, restated, supplemented or otherwise modified from time to time, in each case, in accordance with the express terms of this Agreement or such Loan Document. For all purposes under the Loan Documents, in connection with any division or “plan of division” under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

#### **Section 1.04 Basket Calculations.**

(a) [Reserved].

(b) [Reserved].

(c) For purposes of determining compliance with Sections 6.01, 6.02, and 6.03, (i) with respect to any amount of (w) cash on deposit, (x) the incurrence of Liens, (y) the conveyance, transfer, lease, or disposition of assets or (z) the incurrence of Indebtedness (each, a “Covenant Transaction”) in a currency other than Dollars, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Covenant Transaction is incurred or made, and (ii) with respect to any Covenant Transaction incurred or made in reliance on a provision that makes reference to a percentage of Consolidated Net Worth, no Default or Event of Default shall be deemed to have occurred solely as a result of changes in the amount of Consolidated Net Worth occurring after the time such Covenant Transaction is incurred or made in reliance on such provision.

(d) For purposes of determining compliance with the Net Leverage Ratio, the amount of any Indebtedness denominated in any currency other than Dollars will be converted into Dollars based on the relevant currency exchange rate in effect on the date of the financial statements on which the applicable Consolidated EBITDA is calculated. For purposes of determining compliance with Sections 6.01, 6.02, and 6.03, with respect to the amount of any Covenant Transaction in a currency other than Dollars, such amount (i) if incurred or made in reliance on a fixed Dollar basket, will be converted into Dollars based on the relevant currency exchange rate in effect on the Closing Date, and (ii) if incurred in reliance on a percentage basket, will be converted into Dollars based on the relevant currency exchange rate in effect on



the date such Covenant Transaction is incurred or made and such percentage basket will be measured at the time such Covenant Transaction is incurred or made.

(e) For the avoidance of doubt, all interest and fees shall accrue and be payable on the Loans based on the actual amount outstanding in Dollars.

#### **Section 1.05 Interest Rate; LIBOR Notification**

The interest rate on Eurocurrency Rate Loans is determined by reference to the Eurocurrency Rate, which is derived from the London interbank offered rate. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. In July 2017, the U.K. Financial Conduct Authority announced that, after the end of 2021, it would no longer persuade or compel contributing banks to make rate submissions to the ICE Benchmark Administration (together with any successor to the ICE Benchmark Administrator, the “IBA”) for purposes of the IBA setting the London interbank offered rate. As a result, it is possible that commencing in 2022, the London interbank offered rate may no longer be available or may no longer be deemed an appropriate reference rate upon which to determine the interest rate on the Eurocurrency Rate Loans. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of the London interbank offered rate. In the event that the London interbank offered rate is no longer available or in certain other circumstances as set forth in Section 2.22, such Section 2.22 provides a mechanism for determining the alternate rate. Upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, Section 2.22 provides a mechanism for determining an alternative rate of interest. The Administrative Agent will promptly notify the Borrower, pursuant to Section 2.22, of any change to the reference rate upon which the interest rate on Eurocurrency Rate Loans is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of “Eurocurrency Rate” or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.22, whether upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.22), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the Eurocurrency Rate or have the same volume or liquidity as did the London interbank offered rate prior to its discontinuance or unavailability. For the avoidance of doubt, none of the provisions of this this Section 1.05 shall limit those set forth in Section 2.22.

## **Article II. LOANS**

### **Section 2.01 [Reserved].**

## Section 2.02 Revolving Loans.

(a) Revolving Commitments. During the Revolving Commitment Period, subject to the terms and conditions hereof, each Lender severally agrees to make Revolving Loans to the Borrower in an aggregate amount up to but not exceeding such Lender's Revolving Commitment; provided, that after giving effect to the making of any Revolving Loans in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect. Loans in respect of the Revolving Commitments shall be drawn in Dollars. Amounts borrowed pursuant to this Section 2.02(a) may be repaid and reborrowed during the applicable Revolving Commitment Period. Each Lender's Revolving Commitments shall expire on the Revolving Commitment Termination Date and all Revolving Loans extended with respect to such Revolving Commitments and all other amounts owed hereunder with respect to the Revolving Loans and the Revolving Commitments shall be paid in full no later than such date.

(b) [Reserved].

(c) Borrowing Mechanics for Revolving Loans.

(i) (x) Revolving Loans that are Base Rate Loans shall be made in a minimum amount of \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount, and Revolving Loans that are Eurocurrency Rate Loans shall be in a minimum amount of \$1,000,000 and integral multiples of \$1,000,000 in excess of that amount.

(ii) Whenever the Borrower desires that Lenders make Revolving Loans to it, it shall deliver to the Administrative Agent a fully executed Borrowing Notice no later than 11:00 a.m. (New York City time) (x) at least three Business Days in advance of the proposed Credit Date in the case of a Eurocurrency Rate Loan and (y) at least one Business Day in advance of the proposed Credit Date in the case of a Revolving Loan that is a Base Rate Loan. Except as otherwise provided herein, a Borrowing Notice for a Revolving Loan that is a Eurocurrency Rate Loan shall be irrevocable on and after the related Interest Rate Determination Date, and the Borrower shall be bound to make a borrowing in accordance therewith.

(iii) Notice of receipt of each Borrowing Notice in respect of Revolving Loans, together with the amount of each Lender's Pro Rata Share thereof, if any, together with the applicable interest rate, shall be provided by the Administrative Agent to each applicable Lender by telefacsimile with reasonable promptness, but (provided the Administrative Agent shall have received such notice by 11:00 a.m. (New York City time)) not later than 2:00 p.m. (New York City time) on the same day as the Administrative Agent's receipt of such Notice from the Borrower. Each Lender shall make the amount of its Revolving Loan available to the Administrative Agent not later than 12:00 p.m. (New York City time) on the applicable Credit Date by wire transfer of same day funds in Dollars, at the Principal Office designated by the Administrative Agent.

(iv) [Reserved].

(v) [Reserved].

(vi) Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent shall make the proceeds of Revolving Loans available to the Borrower on the applicable Credit Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Revolving Loans received by the Administrative Agent from Lenders to be credited to the account of the Borrower at the Principal Office designated by the Administrative Agent or such other account as may be designated in writing to the Administrative Agent by the Borrower.

**Section 2.03 [Reserved].**

**Section 2.04 [Reserved].**

**Section 2.05 Pro Rata Shares; Availability of Funds; Affiliates.**

(a) Pro Rata Shares. All Loans shall be made by Lenders simultaneously and proportionately to their respective Pro Rata Shares, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Loan requested hereunder nor shall any Revolving Commitments of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Loan requested hereunder.

(b) Availability of Funds. Unless the Administrative Agent shall have been notified by any Lender prior to the applicable Credit Date that such Lender does not intend to make available to the Administrative Agent the amount of such Lender's Loan requested on such Credit Date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such Credit Date and the Administrative Agent may, in its sole discretion, but shall not be obligated to, make available to the Borrower a corresponding amount on such Credit Date. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender, the Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender together with interest thereon, for each day from such Credit Date until the date such amount is paid to the Administrative Agent, at the customary rate set by the Administrative Agent for the correction of errors among banks for three Business Days and thereafter at the Base Rate. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify the Borrower and the Borrower shall immediately pay such corresponding amount to the Administrative Agent together with interest thereon, for each day from such Credit Date until the date such amount is paid to the Administrative Agent at the Base Rate. Nothing in this Section 2.05(b) shall be deemed to relieve any Lender from its obligation to fulfill its Revolving Commitments hereunder or to prejudice any rights that the Borrower may have against any Lender as a result of any default by such Lender hereunder.

(c) Affiliates. Each Lender may, at its option, make any Loan available to the Borrower by causing any foreign or domestic branch or Affiliate of such Lender to make such Loan; provided that any Lender that exercises such option shall not be entitled to receive any greater payment under Section 2.19 or 2.20 than such Lender would have been entitled to receive had such option not been exercised.

**Section 2.06 Use of Proceeds.** The proceeds of the Revolving Loans shall be applied by the Borrower for working capital or other general corporate purposes of the Borrower or any of its Subsidiaries (including the payment of any fees, costs and expenses in connection with the Revolving Loans, the Revolving Commitments, this Agreement, and the arrangement, negotiation and syndication thereof, on the Closing Date). No portion of the proceeds of any Credit Extension shall be used in any manner that causes or might cause such Credit Extension or the application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors or any other regulation thereof or to violate the Exchange Act.

**Section 2.07 Evidence of Debt; Register; Notes.**

(a) Lenders' Evidence of Debt. Each Lender shall maintain on its internal records an account or accounts evidencing the Obligations of the Borrower to such Lender, including the amounts of the Loans made by it and each repayment and prepayment in respect thereof.

(b) Register. The Administrative Agent (or its agent or sub-agent appointed by it) acting for this purpose a non-fiduciary agent of the Borrower shall maintain at its Principal Office a register for the recordation of the names and addresses of Lenders and the Revolving Commitment and Loans of each Lender from time to time (the "Register"). The Register shall be available for inspection by the Borrower at any reasonable time and from time to time upon reasonable prior notice and upon request (which may not be made more than once per month) the Administrative Agent shall provide a copy of the information in the Register to the Borrower. The Administrative Agent shall record, or shall cause to be recorded, in the Register the Revolving Commitments and the Loans in accordance with the provisions of Section 10.06, and each repayment or prepayment in respect of the principal amount of the Loans, and any such recordation shall be conclusive and binding on the Borrower and each Lender, absent manifest error. The Borrower hereby designates the Administrative Agent to serve as the Borrower's agent solely for purposes of maintaining the Register as provided in this Section 2.07, and the Borrower hereby agrees that, to the extent the Administrative Agent serves in such capacity, the Administrative Agent and its officers, directors, employees, agents, sub-agents and Affiliates shall constitute "Indemnitees."

(c) Notes. If so requested by any Lender by written notice to the Borrower (with a copy to the Administrative Agent) at least five Business Days prior to the Closing Date, or at any time thereafter, the Borrower shall execute and deliver to such Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of such Lender pursuant to Section 10.06) on the Closing Date (or, if such notice is delivered after the Closing Date, promptly after the Borrower's receipt of such notice) a Note or Notes to evidence such Lender's Revolving Loans.

**Section 2.08 Interest on Loans.**

(a) Except as otherwise set forth herein, the Loans shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows:

- (i) if a Base Rate Loan, at the Base Rate plus the Applicable Margin; or

(ii) if a Eurocurrency Rate Loan, at the Eurocurrency Rate plus the Applicable Margin.

(b) The Type of Loan and the Interest Period with respect to any Eurocurrency Rate Loan shall be selected by the Borrower and notified to the Administrative Agent and Lenders pursuant to the applicable Borrowing Notice or Conversion/Continuation Notice, as the case may be. If on any day a Loan is outstanding with respect to which a Borrowing Notice or Conversion/Continuation Notice has not been delivered to the Administrative Agent in accordance with the terms hereof specifying the applicable basis for determining the rate of interest, then for that day such Loan shall be a Base Rate Loan.

(c) In connection with Eurocurrency Rate Loans there shall be no more than 10 Interest Periods outstanding at any time. In the event the Borrower fails to specify between a Base Rate Loan or a Eurocurrency Rate Loan in the applicable Borrowing Notice or Conversion/Continuation Notice for any Loan, such Loan (if outstanding as a Eurocurrency Rate Loan) shall be automatically converted into a Base Rate Loan on the last day of the then-current Interest Period for such Loan (or if outstanding as a Base Rate Loan shall remain as, or (if not then outstanding) shall be made as, a Base Rate Loan). In the event the Borrower fails to specify an Interest Period for any Eurocurrency Rate Loan in the applicable Borrowing Notice or Conversion/Continuation Notice, the Borrower shall be deemed to have selected an Interest Period of one month. As soon as practicable after 11:00 a.m. (New York City time) on each Interest Rate Determination Date, the Administrative Agent shall determine (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) the interest rate that shall apply to the Eurocurrency Rate Loans for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to the Borrower and each Lender.

(d) Interest payable pursuant to Section 2.08(a) shall be computed (i) in the case of Base Rate Loans, on the basis of a 365-day or 366-day year, as the case may be and (ii) in the case of Eurocurrency Rate Loans, on the basis of a 360-day year, in each case for the actual number of days elapsed in the period during which it accrues. In computing interest on any Loan, the date of the making of such Loan or the first day of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted from a Eurocurrency Rate Loan, the date of conversion of such Eurocurrency Rate Loan to such Base Rate Loan, shall be included, and the date of payment of such Loan or the expiration date of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted to a Eurocurrency Rate Loan, the date of conversion of such Base Rate Loan to such Eurocurrency Rate Loan, as the case may be, shall be excluded; provided, that if a Loan is repaid on the same day on which it is made, one day's interest shall be paid on that Loan.

(e) Except as otherwise set forth herein, interest on each Loan shall accrue on a daily basis and shall be payable in arrears (i) on each Interest Payment Date with respect to interest accrued on and to each such payment date; (ii) upon any prepayment of such Loan, whether voluntary or mandatory, to the extent accrued on the amount being prepaid; provided, that with respect to any voluntary prepayment of a Base Rate Loan, accrued interest shall instead be payable on the applicable Interest Payment Date and (iii) at maturity of such Loan, including final maturity of such Loan.

**Section 2.09 Conversion/Continuation.**

(a) Subject to Section 2.18 and so long as no Default or Event of Default shall have occurred and then be continuing, the Borrower shall have the option:

(i) to convert at any time all or any part of any Revolving Loan equal to \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount from one Type of Loan to another Type of Loan; provided, that a Eurocurrency Rate Loan may only be converted on the expiration of the Interest Period applicable to such Eurocurrency Rate Loan unless the Borrower shall pay all amounts due under Section 2.18 in connection with any such conversion; or

(ii) upon the expiration of any Interest Period applicable to any Eurocurrency Rate Loan, to continue all or any portion of such Loan equal to \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount as a Eurocurrency Rate Loan;

provided that, for the avoidance of doubt, no conversion or continuation of any Loan pursuant to this Section 2.09 shall affect the currency in which such Loan is denominated prior to any such conversion or continuation and each such Loan shall remain outstanding denominated in the currency originally issued.

(b) The Borrower shall deliver a Conversion/Continuation Notice to the Administrative Agent no later than 11:00 a.m. (New York City time) at least one Business Day in advance of the proposed conversion date (in the case of a conversion to a Base Rate Loan), at least three Business Days in advance of the proposed Conversion/Continuation Date (in the case of a conversion to, or a continuation of, a Eurocurrency Rate Loan). Except as otherwise provided herein, a Conversion/Continuation Notice for conversion to, or continuation of, any Eurocurrency Rate Loans, shall be irrevocable on and after the related Interest Rate Determination Date, and the Borrower shall be bound to effect a conversion or continuation in accordance therewith.

**Section 2.10 Default Interest.** Upon the occurrence and during the continuance of an Event of Default under Section 8.01(a), 8.01(c) (in the case of a failure to perform or comply with any term or condition contained in Section 6.04(a) or 6.04(b)), or 8.01(e), and, at the request of the Required Lenders, any other Event of Default, the principal amount of all Loans outstanding and, to the extent permitted by applicable law, any interest payments on the Loans or any fees or other amounts owed hereunder, shall thereafter bear interest (including post-petition interest in any proceeding under the Bankruptcy Code or other applicable bankruptcy laws) payable on demand at a rate (the "Default Rate") that is 2.00% *per annum* in excess of the interest rate otherwise payable hereunder with respect to the applicable Loans (or, in the case of any such fees and other amounts, at a rate which is 2.00% *per annum* in excess of the interest rate otherwise payable hereunder for Base Rate Loans that are Revolving Loans); provided, that in the case of Eurocurrency Rate Loans, upon the expiration of the Interest Period in effect at the time any such increase in interest rate is effective such Eurocurrency Rate Loans shall thereupon become Base Rate Loans, and shall thereafter bear interest payable upon demand at a rate which is 2.00% *per annum* in excess of the interest rate otherwise payable hereunder for Base Rate Loans. Payment or acceptance of the increased rates of interest provided for in this Section 2.10 is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of

Default or otherwise prejudice or limit any rights or remedies of the Administrative Agent or any Lender.

**Section 2.11 Fees.**

(a) The Borrower agrees to pay to Lenders (other than Defaulting Lenders) having Revolving Exposure commitment fees equal to (1) the average of the daily difference between (a) the Revolving Commitments and (b) the aggregate principal amount of all outstanding Revolving Loans times (2) the Applicable Revolving Commitment Fee Percentage.

All fees referred to in this Section 2.11(a) shall be paid in Dollars to the Administrative Agent at its Principal Office and upon receipt, the Administrative Agent shall promptly distribute to each Lender that has Revolving Exposure its Pro Rata Share thereof.

(b) [Reserved].

(c) [Reserved].

(d) [Reserved].

(e) All fees referred to in Sections 2.11(a) shall be calculated on the basis of a 360-day year and the actual number of days elapsed and shall be payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year during the applicable Revolving Commitment Period, commencing on the first such date to occur after the Closing Date, and on the applicable Revolving Commitment Termination Date.

(f) In addition to any of the foregoing fees, the Borrower agree to pay to the Agents such other fees (such as administrative agency fees) in the amounts and at the times separately agreed upon.

**Section 2.12 [Reserved].**

**Section 2.13 Voluntary Prepayments/Commitment Reductions.**

(a) Voluntary Prepayments.

(i) Any time and from time to time (1) with respect to Base Rate Loans, the Borrower may prepay any such Loans on any Business Day in whole or in part, in an aggregate minimum amount of \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount and (2) with respect to Eurocurrency Rate Loans, the Borrower may prepay any such Loans on any Business Day in whole or in part in an aggregate minimum amount of, with respect to Revolving Loans, \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount, without premium or penalty.

(ii) All such prepayments shall be made (1) upon not less than one Business Day's prior written notice in the case of Base Rate Loans and (2) upon not less than three Business Days' prior written notice in the case of Eurocurrency Rate Loans;

in each case given to the Administrative Agent by 12:00 p.m. (New York City time) on the date required (and the Administrative Agent shall promptly transmit such original notice electronically or by telefacsimile or telephone to each Lender). Upon the giving of any such notice, the principal amount of the Loans specified in such notice shall become due and payable on the prepayment date specified therein; provided that such a notice may state that such notice is conditioned upon the effectiveness of other credit facilities, indentures or similar agreements or the occurrence of any other transactions, in which case such notice may be revoked by the Borrower if such condition is not satisfied. Any such voluntary prepayment shall be applied as specified in Section 2.15(a).

(b) Voluntary Commitment Reductions.

(i) The Borrower may, upon not less than three Business Days' prior written notice to the Administrative Agent (which written notice the Administrative Agent shall promptly transmit electronically or by telefacsimile or telephone to each applicable Lender), at any time and from time to time terminate in whole or permanently reduce in part, without premium or penalty, the Revolving Commitments in an amount up to the amount by which (x) the Revolving Commitments exceed the Total Utilization of Revolving Commitments at the time of such proposed termination or reduction; provided, that any such partial reduction of the Revolving Commitments shall be in an aggregate minimum amount of, \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount.

(ii) The Borrower's notice to the Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and such termination or reduction of the Revolving Commitments shall be effective on the date specified in the Borrower's notice and shall reduce the applicable Revolving Commitments of each Lender proportionately to its Pro Rata Share thereof; provided that such a notice may state that such notice is conditioned upon the effectiveness of other credit facilities, indentures or similar agreements or the occurrence of any other transactions, in which case such notice may be revoked by the Borrower if such condition is not satisfied. Notwithstanding anything to the contrary contained in this Section 2.13(b)(ii) or any other provision of this Agreement, the Borrower may reduce the Revolving Commitment of any Defaulting Lender to an amount not less than the applicable Revolving Exposure of such Defaulting Lender with respect to such Revolving Commitment (it being understood that for purposes of determining such Defaulting Lender's Revolving Exposure pursuant to this sentence, such Defaulting Lender's Revolving Commitments shall be deemed to be terminated), such reduction to be subject to the consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed).

**Section 2.14 Mandatory Prepayments/Commitment Reductions.**

(a) Revolving Loans. The Borrower shall be required from time to time to prepay the Revolving Loans to the extent necessary so that the Total Utilization of Revolving Commitments shall not at any time exceed the Revolving Commitments then in effect.



## **Section 2.15 Application of Prepayments/Reductions**

(a) Application of Voluntary Prepayments by Type of Loans. Any prepayment of any Loan pursuant to Section 2.13(a) shall be applied to the Loans as specified by the Borrower in the applicable notice of prepayment and, in any event, such prepayment shall be applied to repay such outstanding Loans on a *pro rata* basis until paid in full.

(b) Application of Prepayments of Loans to Base Rate Loans and Eurocurrency Rate Loans. Any prepayment of Revolving Loans shall be applied first to Base Rate Loans to the full extent thereof before application to Eurocurrency Rate Loans, in each case in a manner which minimizes the amount of any payments required to be made by the Borrower pursuant to Section 2.18(c).

## **Section 2.16 General Provisions Regarding Payments**

(a) All payments by the Borrower of principal, interest, fees and other Obligations shall be made in Dollars, in same day funds, without defense, setoff or counterclaim, free of any restriction or condition (other than any security or quasi-security arising in connection with any cash pooling, netting or set-off arrangement entered into by any Group Member in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances (including any security or quasi-security granted in favor of the financial institution with whom such arrangements are entered into in order to secure obligations under such arrangements and including an ancillary facility which is an overdraft comprising more than one account)), and delivered to the Administrative Agent not later than 12:00 p.m. (New York City time) on the date due at the Principal Office designated by the Administrative Agent for the account of Lenders. For purposes of computing interest and fees, funds received by the Administrative Agent after that time on such due date shall be deemed to have been paid by the Borrower on the next succeeding Business Day.

(b) All payments in respect of the principal amount of any Loan (other than voluntary prepayments of Revolving Loan) shall be accompanied by payment of accrued interest on the principal amount being repaid or prepaid, and all such payments (and, in any event, any payments in respect of any Loan on a date when interest is due and payable with respect to such Loan) shall be applied to the payment of interest then due and payable before application to principal.

(c) The Administrative Agent (or its agent or sub-agent appointed by it) shall promptly distribute to each Lender at such address as such Lender shall indicate in writing, such Lender's applicable Pro Rata Share of all payments and prepayments of principal and interest due hereunder, together with all other amounts due thereto, including all fees payable with respect thereto, to the extent received by the Administrative Agent.

(d) Notwithstanding the foregoing provisions hereof, if any Conversion/Continuation Notice is withdrawn as to any Affected Lender or if any Affected Lender makes Base Rate Loans in lieu of its Pro Rata Share of any Eurocurrency Rate Loans, the Administrative Agent shall give effect thereto in apportioning payments received thereafter.

(e) Subject to the provisos set forth in the definition of “Interest Period” as they may apply to Revolving Loans, whenever any payment to be made hereunder with respect to any Loan shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and, with respect to Revolving Loans only, such extension of time shall be included in the computation of the payment of interest hereunder or of the Revolving Commitment fees hereunder.

(f) The Administrative Agent shall deem any payment by or on behalf of the Borrower hereunder that is not made in same day funds prior to 12:00 p.m. (New York City time) to be a non-conforming payment. Any such payment shall not be deemed to have been received by the Administrative Agent until the later of (i) the time such funds become available funds, and (ii) the applicable next Business Day. The Administrative Agent shall give prompt electronic or telephonic notice (confirmed in writing) to the Borrower and each applicable Lender if any payment is non-conforming. Any non-conforming payment may constitute or become a Default or Event of Default in accordance with the terms of Section 8.01(a).

(g) If an Event of Default shall have occurred and not otherwise been waived, and the maturity of the Obligations under the Loan Documents shall have been accelerated pursuant to Section 8.01, all payments or proceeds received by the Agents hereunder in respect of any of the Obligations under the Loan Documents, shall be applied in accordance with the application arrangements described in Section 2.15(b).

**Section 2.17 Ratable Sharing.** The Lenders agree among themselves that, if any of them shall, whether by voluntary payment (other than a voluntary prepayment of Loans made and applied in accordance with the terms hereof), through the exercise of any right of set-off or banker’s lien, by counterclaim or cross action or by the enforcement of any right under the Loan Documents or otherwise, or as adequate protection of a deposit treated as cash collateral under the Bankruptcy Code, receive payment or reduction of a proportion of the aggregate amount of principal, interest, amounts payable in respect of fees and other amounts then due and owing to such Lender hereunder or under the other Loan Documents (collectively, the “Aggregate Amounts Due” to such Lender) which is greater than the proportion received by any other Lender in respect of the Aggregate Amounts Due to such other Lender, then the Lender receiving such proportionately greater payment shall (a) notify the Administrative Agent and each other Lender of the receipt of such payment and (b) apply a portion of such payment to purchase participations (which it shall be deemed to have purchased from each seller of a participation simultaneously upon the receipt by such seller of its portion of such payment) in the Aggregate Amounts Due to the other Lenders so that all such recoveries of Aggregate Amounts Due shall be shared by all Lenders in proportion to the Aggregate Amounts Due to them; provided, that if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered from such Lender upon the bankruptcy or reorganization of the Borrower or otherwise, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such purchasing Lender ratably to the extent of such recovery, but without interest. The provisions of this Section 2.17 shall not be construed to apply to (a) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (b) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Loans or other Obligations owed to it. The provisions of this Section 2.17 are subject to any security or quasi-security arising in connection with any cash

pooling, netting or set-off arrangement entered into by any Group Member in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances.

**Section 2.18 Making or Maintaining Eurocurrency Rate Loans.**

(a) Inability to Determine Applicable Interest Rate. In the event of any Market Disruption, the Administrative Agent shall on such date give notice (electronically or by telefacsimile or by telephone confirmed in writing) to the Borrower and each Lender of such determination, whereupon (x) no Loans may be made as, or converted to, Eurocurrency Rate Loans until such time as the Administrative Agent notifies the Borrower and Lenders that the circumstances giving rise to such notice no longer exist and (y) any Borrowing Notice or Conversion/Continuation Notice given by the Borrower with respect to the Loans in respect of which such determination was made shall be deemed to be rescinded by the Borrower.

(b) Illegality. Notwithstanding any other provision herein, if the adoption of or any change in any law, treaty, governmental rules, regulation or guideline or order, or in the interpretation or application thereof shall make it unlawful for any Lender to make or maintain Eurocurrency Rate Loans as contemplated by this Agreement (such Lender an "Affected Lender"), (i) the Commitment of such Lender hereunder to make Eurocurrency Rate Loans, continue Eurocurrency Rate Loans as such and convert Base Rate Loans to Eurocurrency Rate Loans shall forthwith be suspended until such time as it shall no longer be unlawful for such Lender to make or maintain the affected Loan and (ii) any such Lender's Loans then outstanding as Eurocurrency Rate Loans, if any, shall be converted automatically to Base Rate Loans, respectively, on the respective last days of the then current Interest Periods with respect to such Loans or within such earlier period as required by law. If any such conversion of a Eurocurrency Rate Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Borrower shall pay to such Lender such amounts, if any, as may be required pursuant to Section 2.18(c).

(c) Compensation for Breakage or Non-Commencement of Interest Periods. The Borrower shall compensate each Lender, upon written request by such Lender (which request shall set forth the basis for requesting such amounts), for all reasonable losses, expenses and liabilities (including any interest paid by such Lender to Lenders of funds borrowed by it to make or carry its Eurocurrency Rate Loans and any loss, expense or liability sustained by such Lender in connection with the liquidation or re-employment of such funds but excluding loss of anticipated profits) which such Lender actually sustains as a direct result of any of the following circumstances: (i) if for any reason (other than a default by such Lender) a borrowing of any Eurocurrency Rate Loan does not occur on a date specified therefor in a Borrowing Notice, or a conversion to or continuation of any Eurocurrency Rate Loan does not occur on a date specified therefor in a Conversion/Continuation Notice; (ii) if any prepayment or other principal payment of, or any conversion of, any of its Eurocurrency Rate Loans occurs on a date prior to the last day of an Interest Period applicable to that Loan; or (iii) if any prepayment of any of its Eurocurrency Rate Loans is not made on any date specified in a notice of prepayment given by the Borrower.

(d) Booking of Eurocurrency Rate Loans. Any Lender may make, carry or transfer Eurocurrency Rate Loans at, to or for the account of any of its branch offices or the office of an Affiliate of such Lender.

## **Section 2.19 Increased Costs; Capital Adequacy.**

(a) Compensation For Increased Costs. In the event that any Lender shall determine (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto) that any law, treaty or governmental rule, regulation or order, or any change therein or in the interpretation, administration or application thereof (including, notwithstanding anything herein to the contrary, the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith regardless of the date enacted, adopted or issued (but only to the extent actually implemented)), or any determination of a court or Governmental Authority, in each case that becomes effective after the date hereof, or compliance by such Lender with any guideline, request or directive issued or made after the date hereof by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law and including 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, regardless of the date enacted, adopted or issued (but only to the extent actually implemented)): (i) imposes, modifies or holds applicable any reserve (including any marginal, emergency, supplemental, special or other reserve), special deposit, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, or advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender (other than any such reserve or other requirements with respect to Eurocurrency Rate Loans that are reflected in the definition of Eurocurrency Rate); or (ii) imposes any other condition on or affecting such Lender (or its applicable lending office) or its obligations hereunder or the London interbank market; and the result of any of the foregoing is to increase the cost to such Lender of agreeing to make, making or maintaining Loans hereunder or to reduce any amount received or receivable by such Lender (or its applicable lending office) with respect thereto; then, in any such case, the Borrower shall promptly pay to such Lender, upon receipt of the statement referred to in the next sentence, such additional amount or amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its sole discretion shall determine) as may be necessary to compensate such Lender for any such increased cost or reduction in amounts received or receivable hereunder. Such Lender shall deliver to the Borrower (with a copy to the Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to such Lender under this Section 2.19(a), which statement shall be conclusive and binding upon all parties hereto absent manifest error. For the avoidance of doubt, this Section 2.19(a) shall not apply to any Excluded Taxes or Indemnified 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.

(b) Capital Adequacy Adjustment. In the event that any Lender shall have determined that the adoption, effectiveness, phase-in or applicability after the Closing Date of any law, rule or regulation (or any provision thereof) regarding capital adequacy or liquidity requirements, or any change therein or in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof in each case that becomes effective after the date hereof, or compliance by any Lender (or its applicable lending office) with any guideline, request or directive issued or made after the date hereof regarding capital adequacy or liquidity requirements (whether or not

having the force of law) of any such Governmental Authority, central bank or comparable agency (including, notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) 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, regardless in the case of clauses (i) and (ii) of the date enacted, adopted or issued (but in the case of clauses (i) and (ii) only to the extent actually implemented)), has or would have the effect of reducing the rate of return on the capital of such Lender or any corporation controlling such Lender as a consequence of, or with reference to, such Lender's Loans or Revolving Commitment, or other obligations hereunder with respect to the Loans, to a level below that which such Lender or such controlling corporation could have achieved but for such adoption, effectiveness, phase-in, applicability, change or compliance (taking into consideration the policies of such Lender or such controlling corporation with regard to capital adequacy or liquidity requirements), then from time to time, within five Business Days after receipt by the Borrower from such Lender of the statement referred to in the next sentence, the Borrower shall pay to such Lender such additional amount or amounts as shall compensate such Lender or such controlling corporation on an after-tax basis for such reduction. Such Lender shall deliver to the Borrower (with a copy to the Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to such Lender under this Section 2.19(b), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

#### **Section 2.20 Taxes; Withholding, Etc.**

(a) Payments to Be Free and Clear. Any and all sums payable by or on behalf of any Loan Party hereunder and under any other Loan Document shall (except to the extent required by law) be paid free and clear of, and without any deduction or withholding for or on account of, any Tax.

(b) Withholding of Taxes. If any Loan Party or any other Person is required by law to make any deduction or withholding for or on account of any Tax from any sum paid or payable by or on behalf of any Loan Party to the Administrative Agent or any Lender under any of the Loan Documents: (i) the applicable Loan Party shall notify the Administrative Agent in writing of any such requirement or any change in any such requirement as soon as the applicable Loan Party becomes aware of it; (ii) the Borrower or the Administrative Agent, as may be required by applicable law, shall timely deduct or withhold and remit any such Tax before the date on which penalties attach thereto to the relevant Governmental Authority in accordance with law; (iii) if such Tax is an Indemnified Tax, then the sum payable by such Loan Party in respect of which the relevant deduction, withholding or payment is required shall be increased to the extent necessary to ensure that, after the making of that deduction, withholding or payment, the Administrative Agent or such Lender, as the case may be, receives on the due date a net sum equal to what it would have received had no such deduction, withholding or payment been required or made (after taking into account any additional deduction, withholding or payment of any Indemnified Taxes on such increased payment); and (iv) as soon as practicable after any payment of Tax by a Loan Party, the applicable Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority

evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(c) Evidence of Exemption From, or Reduction of, Withholding Tax. Any Lender that is entitled to an exemption from or reduction of withholding Tax under the law of the jurisdiction in which the Borrower is resident for tax purposes, or any treaty to which such jurisdiction is a party, with respect to payments hereunder or under any other Loan Document shall, to the extent it may lawfully do so, deliver to the Borrower and the Administrative Agent, at the time or times prescribed by applicable requirements of law and reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable requirements of law and any other information as will permit such payments to be made without withholding or at a reduced rate of withholding. Notwithstanding anything to the contrary in the preceding sentence, the completion, execution and submission of such documentation (other than such documentation set forth in (c)(i) and (ii) below, the immediately subsequent sentence and, in the case of a U.S. Lender, the IRS Form W-9) 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. 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 and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower 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 the foregoing sentence, "FATCA" shall include any amendments made to FATCA after the date of this Agreement. Without limiting the generality of the foregoing, each Lender that is not a "United States person" (as such term is defined in Section 7701(a)(30) of the Internal Revenue Code) for U.S. federal income tax purposes and that is a Lender to a Loan (a "Non-U.S. Lender") (for this purpose, including any Commitment with respect thereto) shall, to the extent it is legally entitled to do so, deliver to the Administrative Agent for transmission to the Borrower, on or prior to the Closing Date or on or prior to the date of the Assignment Agreement pursuant to which it becomes a Lender (in the case of each other Lender), and at such other times as may be prescribed by law or as may be necessary in the determination of the Borrower or the Administrative Agent (each in the reasonable exercise of its discretion), (i) two copies of IRS Form W-8BEN or W-8BEN-E, as applicable (claiming the benefits of any applicable income tax treaty), W-8ECI, W-8EXP and/or W-8IMY (or, in each case, any successor forms), as applicable, properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code or reasonably requested by the Borrower or the Administrative Agent to establish that such Lender is not subject to (or is subject to a reduced rate of) deduction or withholding of United States federal income tax with respect to any payments to such Lender of principal, interest, fees or other amounts payable under any of the Loan Documents or (ii) if such Lender is not a "bank" or other Person described in

Section 881(c)(3) of the Internal Revenue Code and is relying on the so-called “portfolio interest exemption,” a Certificate re Non-Bank Status together with two copies of IRS Form W-8BEN or W-8BEN-E, as applicable (or any successor form), properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code or reasonably requested by the Borrower or the Administrative Agent to establish that such Lender is not subject to deduction or withholding of United States federal income tax with respect to any payments to such Lender of interest payable under any of the Loan Documents. Each Lender that is a United States person (as such term is defined in Section 7701(a)(30) of the Internal Revenue Code) for United States federal income tax purposes (a “U.S. Lender”) shall deliver to the Administrative Agent and the Borrower on or prior to the Closing Date (or, if later, on or prior to the date on which such Lender becomes a party to this Agreement) two copies of IRS Form W-9 (or any successor form), properly completed and duly executed by such Lender, certifying that such U.S. Lender is exempt from United States backup withholding tax. Each Lender required to deliver any forms, certificates or other evidence with respect to United States federal income tax withholding matters pursuant to this Section 2.20(c) hereby agrees, from time to time after the initial delivery by such Lender of such forms, certificates or other evidence, whenever a lapse in time or change in circumstances renders such forms, certificates or other evidence obsolete or inaccurate in any material respect, that such Lender shall promptly deliver to the Administrative Agent and the Borrower two new copies of IRS Form W-8BEN, W-8-BEN-E, W-8ECI, W-8IMY, W-8EXP and/or W-9 (or, in each case, any successor form), or a Certificate re Non-Bank Status, as the case may be, properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code and reasonably requested by the Borrower or the Administrative Agent to confirm or establish that such Lender is not subject to (or is subject to a reduced rate of) deduction or withholding of United States federal income tax with respect to payments to such Lender under the Loan Documents, or notify the Administrative Agent and the Borrower of its inability to deliver any such forms, certificates or other evidence. No Borrower shall be required to pay any additional amount to any Non-U.S. Lender under Section 2.20(b)(iii) with respect to Indemnified Taxes imposed by reason of such Lender’s failure (1) to deliver the forms, certificates or other evidence required by this Section 2.20(c) or (2) to notify the Administrative Agent and the Borrower of its inability to deliver any such forms, certificates or other evidence, as the case may be; provided, that if such Lender shall have satisfied the requirements to deliver forms, certificates or other evidence under this Section 2.20(c) on the date of the Assignment Agreement pursuant to which it became a Lender, nothing in this last sentence of Section 2.20(c) shall relieve any Loan Party of its obligation to pay any additional amounts pursuant to this Section 2.20 in the event that, as a result of any change in any applicable law, treaty or governmental rule, regulation or order, or any change in the interpretation, administration or application thereof that becomes effective after such date, such Lender is no longer properly entitled to deliver forms, certificates or other evidence at a subsequent date establishing the fact that such Lender is not subject to withholding as described herein.

(d) Without limiting the provisions of Section 2.20(b), each Loan Party shall timely pay, or at the option of the Administrative Agent timely reimburse it for the payment of, all Other Taxes to the relevant Governmental Authorities in accordance with applicable law. Each Loan Party or the Borrower shall deliver to the Administrative Agent official receipts or other evidence of such payment reasonably satisfactory to the Administrative Agent in respect of any Other Taxes payable hereunder promptly after payment of such Other Taxes.

(e) If the Administrative Agent or a Lender receives a refund of any amount as to which the Borrower has made any payments pursuant to this Section 2.20, the Administrative Agent or such Lender shall pay over any such refund to the Borrower (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of such Lender's expenses and out-of-pocket costs (including Taxes) of such Administrative Agent or a Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that the Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (including any applicable interest, fees and penalties) in the event that the Administrative Agent or such Lender is required to repay such refund to the relevant Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will the Administrative Agent or a Lender be required to pay any amount to the Borrower pursuant to this paragraph (e) the payment of which would place the Administrative Agent or a Lender in a less favorable net after-Tax position than the Administrative Agent or the Lender 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 paragraph shall not be construed to require any Administrative Agent or a Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

(f) The Loan Parties shall jointly and severally indemnify the Administrative Agent and any Lender, within 10 days after demand therefor, for the full amount of Indemnified Taxes for which additional amounts are required to be paid pursuant to Section 2.20(b) and Other Taxes, in each case arising in connection with this Agreement or any other Loan Document (including any such Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.20) paid by the Administrative Agent or Lender or any of their respective Affiliates and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other 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 such Loan Party shall be conclusive absent manifest error. Such payment shall be due within 30 days of such Loan Party's receipt of such certificate.

**Section 2.21 Obligation to Mitigate.** Each Lender agrees that, as promptly as practicable after the officer of such Lender responsible for administering its Loans becomes aware of the occurrence of an event or the existence of a condition that would cause such Lender to become an Affected Lender or that would entitle such Lender to receive payments under Section 2.18, 2.19 or 2.20, it shall, to the extent not inconsistent with the internal policies of such Lender and any applicable legal or regulatory restrictions, use reasonable efforts to (a) make, issue, fund or maintain its Credit Extensions through another office of such Lender or (b) take such other measures as such Lender may deem reasonable, if as a result thereof the circumstances which would cause such Lender to be an Affected Lender would cease to exist or the additional amounts which would otherwise be required to be paid to such Lender pursuant to Section 2.18, 2.19 or 2.20 would be materially reduced and if, as determined by such Lender in its sole discretion, the making, issuing, funding or maintaining of such Revolving Commitments or Loans through such other office or in accordance with such other measures, as the case may be, would not otherwise adversely affect the interests of such Lender in any material respect; provided, that such Lender shall not be obligated to utilize such other office pursuant to this



Section 2.21 unless the Borrower agrees to pay all incremental expenses incurred by such Lender as a result of utilizing such other office as described above. A certificate as to the amount of any such expenses payable by the Borrower pursuant to this Section 2.21 (setting forth in reasonable detail the basis for requesting such amount) submitted by such Lender to the Borrower (with a copy to the Administrative Agent) shall be conclusive absent manifest error. For the avoidance of doubt, nothing in this Section 2.21 shall relieve any Lender from its obligations pursuant to Section 2.20(c) of this Agreement.

**Section 2.22 Benchmark Replacement Setting.**

Notwithstanding anything to the contrary herein or in any other Loan Document:

(a) Replacing USD LIBOR. On March 5, 2021 the Financial Conduct Authority (“FCA”), the regulatory supervisor of USD LIBOR’s administrator (“IBA”), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-month, 3-month, 6-month and 12- month USD LIBOR’s tenor settings. On the earlier of (i) the date that all Available Tenors of USD LIBOR have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (ii) the Early Opt-in Effective Date, if the then-current Benchmark is USD LIBOR, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a quarterly basis.

(b) Replacing Future Benchmarks. Upon the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5<sup>th</sup>) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower’s receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans. During the period referenced in the foregoing sentence, the component of Base Rate based upon the Benchmark will not be used in any determination of Base Rate.

(c) Benchmark Replacement Conforming Changes. In connection with the implementation and administration 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.

(d) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement, (ii) the effectiveness of any Benchmark Replacement Conforming Changes and (iii) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.22(e). Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section, 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 2.22(d).

(e) Unavailability of Tenor of Benchmark. At any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or USD LIBOR), then the Administrative Agent may remove any tenor of such Benchmark that is unavailable or non-representative for Benchmark (including Benchmark Replacement) settings and (ii) the Administrative Agent may reinstate any such previously removed tenor for Benchmark (including Benchmark Replacement) settings.

**Section 2.23 Removal or Replacement of a Lender**. Anything contained herein to the contrary notwithstanding, in the event that: (a) (i) any Lender (an “Increased-Cost Lender”) shall give notice to the Borrower that such Lender is an Affected Lender or that such Lender is entitled to receive payments under Section 2.18(b), 2.19 or 2.20, (ii) the circumstances which have caused such Lender to be an Affected Lender or which entitle such Lender to receive such payments remain in effect, and (iii) such Lender shall fail to withdraw such notice within five Business Days after the Borrower’s request for such withdrawal; or (b) (i) any Lender shall become a Defaulting Lender, (ii) such Defaulting Lender’s default remains in effect and (iii) such Defaulting Lender shall fail to cure the default as a result of which it has become a Defaulting Lender within five Business Days thereafter; or (c) in connection with any proposed amendment, modification, termination, extension, waiver or consent with respect to any of the provisions hereof as contemplated by Section 10.05(b), the consent of Required Lenders shall have been obtained but the consent of one or more of such other Lenders (each, a “Non-Consenting Lender”) whose consent is required shall not have been obtained; then, with respect to each such Increased-Cost Lender, Defaulting Lender or Non-Consenting Lender (the “Terminated Lender”), the Borrower may, by giving written notice to the Administrative Agent and any Terminated Lender of its election to do so, elect to cause such Terminated Lender (and such Terminated Lender hereby irrevocably agrees) to assign its outstanding Loans and its Revolving Commitments, if any, in full to one or more Eligible Assignees (each, a “Replacement Lender”) in accordance with the provisions of Section 10.06 and the Borrower shall pay the fees, if any, payable thereunder in connection with any such assignment from an Increased-Cost

Lender, a Non-Consenting Lender or a Defaulting Lender; provided, that (1) on the date of such assignment, the Replacement Lender shall pay to the Terminated Lender an amount equal to the sum of (A) an amount equal to the principal of, and all accrued interest on, all outstanding Loans of the Terminated Lender (B) an amount equal to all accrued but theretofore unpaid fees owing to such Terminated Lender pursuant to Section 2.11, such amounts to be calculated in Dollars; (2) on the date of such assignment, the Borrower shall pay any amounts payable to such Terminated Lender pursuant to Section 2.18(c), Section 2.19 or Section 2.20 or otherwise as if it were a prepayment and (3) in the event such Terminated Lender is a Non-Consenting Lender, each Replacement Lender shall consent, at the time of such assignment, to each matter in respect of which such Terminated Lender was a Non-Consenting Lender. Upon the prepayment of all amounts owing to any Terminated Lender and the termination of such Terminated Lender's Revolving Commitments, if any, such Terminated Lender shall no longer constitute a "Lender" for purposes hereof; provided, that any rights of such Terminated Lender to indemnification hereunder shall survive as to such Terminated Lender. Each Lender agrees that if the Borrower exercises its option hereunder to cause an assignment by such Lender as a Terminated Lender, such Lender shall, promptly after receipt of written notice of such election, execute and deliver all documentation necessary to effectuate such assignment in accordance with Section 10.06. In the event that a Lender does not comply with the requirements of the immediately preceding sentence within one Business Day after receipt of such notice, each Lender hereby authorizes and directs the Administrative Agent to execute and deliver such documentation as may be required to give effect to an assignment in accordance with Section 10.06 on behalf of a Terminated Lender and any such documentation so executed by the Administrative Agent shall be effective for purposes of documenting an assignment pursuant to Section 10.06.

### **Article III. CONDITIONS PRECEDENT**

**Section 3.01 Closing Date.** The effectiveness of this Agreement and the obligation of each Lender to make a Credit Extension under this Agreement on the Closing Date is subject only to the satisfaction (or waiver) of the following conditions precedent.

(a) Loan Documents. The Administrative Agent shall have received a copy of this Agreement executed and delivered by each applicable Loan Party and each Lender.

(b) Organizational Documents; Incumbency. The Administrative Agent shall have received in relation to the Borrower (1) copies of each Organizational Document and, to the extent applicable, certified as of a recent date by the appropriate governmental official; (2) corporate or entity certificates incorporating, without limitation, signature and, to the extent applicable, incumbency certificates of the officers, managers, members and/or directors of such Person executing the Loan Documents to which it is a party; (3) to the extent applicable, resolutions of the Board of Directors approving and authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party or by which it or its assets may be bound as of the Closing Date, certified (to the extent required under applicable law or customary in accordance with local law or practice) as of the Closing Date by its secretary, its assistant secretary, director or any other competent officer or appropriate person

as being in full force and effect without modification or amendment; (4) to the extent required under applicable law, the Borrower's Organizational Documents or internal regulations or, customary in accordance with local law or practice, a copy of resolutions from the general meeting of shareholders or its partners approving and authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party or by which it or its assets may be bound as of the Closing Date, certified as of the Closing Date by its secretary or an assistant secretary as being in full force and effect without modification or amendment; and (5) to the extent required under applicable law or customary in accordance with local law or practice, a good standing certificate from the applicable Governmental Authority of its jurisdiction of incorporation, organization or formation, dated a recent date prior to the Closing Date.

(c) Representations and Warranties. The representations and warranties contained herein and in the other Loan Documents shall be true and correct in all material respects on and as of the date of this Agreement to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided, that to the extent any such representation or warranty is already qualified by materiality or Material Adverse Effect, such representation or warranty shall be true and correct in all respects.

(d) No Default. As of the date of this Agreement, no event shall have occurred and be continuing or would result from the consummation of the Transactions to be consummated on the Closing Date that would constitute a Default or an Event of Default under the Loan Documents.

(e) Amendment to Existing Credit Agreement. The Existing Credit Agreement shall be amended (and such amendment shall be effective on or prior to the Closing Date) to allow the springing Lien with respect to the Revolving Loans under this Agreement.

(f) [Reserved].

(g) Financial Statements. The Administrative Agent shall have received from the Borrower the Historical Financial Statements, it being acknowledged and agreed that the Borrower's filing on Form 10-K for Fiscal Year ended January 31, 2021 satisfies the requirements under this Section 3.01(f).

(h) Opinions of Counsel to Loan Parties. The Agents and the Lenders and their respective counsel shall have received executed copies of the favorable written opinions of Wachtell, Lipton, Rosen & Katz, as New York counsel to the Loan Parties, Potter Anderson Corroon LLP, as Delaware counsel to the Loan Parties and Mark D. Fischer, as general counsel of the Borrower, in each case as to such matters as are customary for financings of this type, dated as of the Closing Date and otherwise in form and substance reasonably satisfactory to the Administrative Agent (and each Loan Party hereby instructs such counsel to deliver such opinions to the Agents and the Lenders).

(i) Fees. The Borrower shall have paid, or substantially concurrently with the effectiveness of this Agreement will pay, all fees and reasonable expenses (including, without

limitation, legal fees and expenses) of the Arrangers, the Administrative Agent and the Lenders as and to the extent (1) required pursuant to the terms of any applicable commitment or fee letters between the Borrower and any Arranger, the Administrative Agent or any Lender and (2) invoiced to the Borrower at least two Business Days prior to the Closing Date.

(j) [Reserved].

(k) Solvency Certificate. The Administrative Agent shall have received a Solvency Certificate from the Borrower substantially in the form of Exhibit E-2.

(l) Material Adverse Effect. Since January 31, 2021, there shall not have occurred any Material Adverse Effect.

(m) Closing Date Certificate. The Borrower shall have delivered to the Administrative Agent an executed Closing Date Certificate, together with all attachments thereto, and which shall include certifications to the effect that each of the conditions precedent described in this Sections 3.01(c) and (d) shall have been satisfied on the Closing Date (except that no opinion need be expressed as to Administrative Agent's or Required Lenders' satisfaction with any document, instrument or other matter); and

(n) Bank Regulatory Information. The Lenders shall have received prior to the Closing Date all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the PATRIOT Act.

### **Section 3.02 Conditions to Each Credit Extension**

(a) Conditions Precedent. The obligation of each Lender to make any Loan on any Credit Date (including with respect to the obligation of each Lender to make a Credit Extension on the Closing Date) are subject to the satisfaction, or waiver in accordance with Section 10.05, of the following conditions precedent:

(i) the Administrative Agent shall have received a fully executed and delivered Borrowing Notice;

(ii) after making the Credit Extensions requested on such Credit Date, the Total Utilization of Revolving Commitments shall not exceed the Revolving Commitments then in effect;

(iii) as of such Credit Date, the representations and warranties contained herein (other than, in the case of any Credit Extension after the Closing Date, the representations and warranties contained in Sections 4.09 and 4.10) and in the other Loan Documents shall be true and correct in all material respects on and as of that Credit Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided, that to the extent any such representation or

warranty is already qualified by materiality or Material Adverse Effect, such representation or warranty shall be true and correct in all respects; and

(iv) as of such Credit Date, no event shall have occurred and be continuing or would result from the consummation of the applicable Credit Extension that would constitute a Default or an Event of Default under the Loan Documents.

(b) Notices. Any Notice shall be executed by an Authorized Officer of the Borrower in writing delivered to the Administrative Agent.

#### **Article IV. REPRESENTATIONS AND WARRANTIES**

In order to induce the Lenders to enter into this Agreement and to make each Credit Extension to be made thereby, the Borrower represents and warrants to each Lender, on the Closing Date and on each Credit Date (other than with respect to the representations and warranties contained in Sections 4.09 and 4.10, each Credit Date after the Closing Date) that the following statements are true and correct:

**Section 4.01 Organization; Requisite Power and Authority; Qualification**. Each of the Loan Parties (a) is duly organized, duly incorporated or formed, (b) is validly existing and, if applicable, in good standing under the laws of its jurisdiction of organization, (c) has all requisite power and authority (i) to enter into the Loan Documents to which it is a party and (ii) except where failure to have such power and authority would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, to own and operate its properties and assets and to carry on its business as now conducted, and (d) is qualified to do business and, if applicable, in good standing in every jurisdiction where any material portion of its assets are located and wherever necessary to carry out its material business and operations, except where the failure to be so qualified would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

**Section 4.02 [Reserved]**.

**Section 4.03 Due Authorization**. The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party have been duly authorized by all necessary action on the part of each such Loan Party.

**Section 4.04 No Conflicts**. The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party and the consummation of the transactions contemplated by the Loan Documents do not and will not (a) violate (i) any provision of any law or any governmental rule or regulation applicable to any such Loan Party or (ii) any of the Organizational Documents of any such Loan Party, except in the case of clause (a)(i) to the extent any such violation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (b) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any Contractual Obligation of such Loan Party except to the extent such conflict, breach or default would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; or (c) result in or require the creation

or imposition of any Lien upon any of the properties or assets of such Loan Party (other than any Liens permitted by Section 6.01).

**Section 4.05 Governmental Consents.** The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party and the incurrence by the Loan Parties of their Obligations thereunder do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority except for (i) those that have been obtained or made and are in full force and effect, (ii) those the failure of which to obtain or make, would not individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (iii) those that may be required in connection with Section 5.13.

**Section 4.06 Binding Obligation.** Each Loan Document has been duly executed and delivered by each Loan Party that is a party thereto and, assuming due execution by each of the other parties to such Loan Document, is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as may be limited by (i) public policy or bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally, (ii) equitable principles relating to enforceability (whether considered at a proceeding in law or in equity) or (iii) any general rules of law referred to in any legal opinion provided to any Agent or any Lender (or its respective counsel) with respect to such Loan Document pursuant to this Agreement or any other Loan Document.

**Section 4.07 Historical Financial Statements.** The Historical Financial Statements of the Borrower were prepared in conformity with GAAP and fairly present, in all material respects, the consolidated financial position, of the Borrower and its consolidated Subsidiaries, as of the dates thereof and their consolidated results of operations and cash flows, for the periods then ended.

**Section 4.08 [Reserved].**

**Section 4.09 No Material Adverse Change.** Since January 31, 2021, no event, circumstance or change has occurred that has caused, either individually or in the aggregate, a Material Adverse Effect.

**Section 4.10 Adverse Proceedings, Etc.** There are no Adverse Proceedings pending or, to the knowledge of any Authorized Officer of the Borrower, threatened in writing, that would reasonably be expected to have a Material Adverse Effect.

**Section 4.11 Payment of Taxes.** All material Tax returns and reports of the Group required to be filed by any of them have been accurately and timely filed, and any Taxes required to have been paid by the Group have been paid, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which reserves or other appropriate provisions, if any, have been made in accordance with GAAP or (b) to the extent that the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

**Section 4.12 Properties.**

(a) **Title.** Each Group Member has good title to, or valid leasehold interests in, all its real and personal property material to the operation of its business except for minor defects in title that do not materially interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes or as would not reasonably be expected to have a Material Adverse Effect.

(b) Each of Group Member owns, or is licensed to use, all Material Intellectual Property and the use thereof by the Group Members does not infringe upon the rights of any other person except as would not reasonably be expected to have a Material Adverse Effect.

**Section 4.13 Environmental Matters.** Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (a) each Group Member is in compliance with all applicable Environmental Laws; (b) each Group Member has obtained and maintained in full force and effect all Governmental Authorizations required pursuant to Environmental Laws for the operation of their respective business; (c) there are no conditions, occurrences, violations of Environmental Law, or presence or Releases of Hazardous Materials which would reasonably be expected to form the basis of an Environmental Claim against any Group Member or related to any Real Estate Assets; and (d) there are no pending Environmental Claims against any Group Member, and no Group Member has received any written notification of any alleged violation of, or liability pursuant to, Environmental Law or responsibility for the Release or threatened Release of, or exposure to, any Hazardous Materials.

**Section 4.14 No Defaults.** No Default or Event of Default has occurred and is continuing or would reasonably be expected to occur as a result of any Credit Extension or performance of any transaction under the Loan Documents.

**Section 4.15 Governmental Regulation.** No Group Member is subject to regulation under the Investment Company Act of 1940. No Group Member is a “registered investment company” as defined in the Investment Company Act of 1940.

**Section 4.16 Margin Stock.** No part of the proceeds of the Loans will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for any purpose that violates, or is inconsistent with, the provisions of Regulation T, U or X of the Board of Governors.

**Section 4.17 Employee Benefit Plans.** Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, (i) each Employee Benefit Plan is in compliance with such Employee Benefit Plan’s terms and the applicable provisions of ERISA and the Internal Revenue Code and the regulations and published interpretations thereunder and (ii) no ERISA Event has occurred or is reasonably expected to occur.

**Section 4.18 Solvency.** On the Closing Date, the Borrower and each of its Subsidiaries are, on a consolidated basis, Solvent.

**Section 4.19 Compliance with Statutes, Etc.** Each Group Member is in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by,



all Governmental Authorities, in respect of the conduct of its business and the ownership of its assets and property (but excluding any Environmental Laws, which are subject to [Section 4.13](#)), except such non-compliance that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

**Section 4.20 Disclosure.** No representation or warranty of any Loan Party contained in any Loan Document and made on or after the Closing Date or in any other documents, certificates or written statements furnished to any Agent or Lender by any Group Member (or by its agents on its behalf) for use in connection with the Transactions contains, when considered together with the information in the Borrower's Annual Report on Form 10-K for Fiscal Year ended January 31, 2021, at the time furnished any untrue statement of a material fact or omits to state a material fact (known to it, or to the Borrower in the case of any document not furnished by it) necessary in order to make the statements contained herein or therein (when furnished and taken as a whole) not materially misleading in light of the circumstances in which the same were made. Any projections and *pro forma* financial information contained in such materials are based upon good faith estimates and assumptions believed by the Borrower to be reasonable at the time made, it being recognized by Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results and such differences may be material.

**Section 4.21 [Reserved].**

**Section 4.22 FCPA and Sanctions.** To the knowledge of the Borrower, neither the Borrower nor any of its Subsidiaries nor any of their respective directors or senior officers is a Sanctioned Person. No part of the proceeds of the Loans shall be used directly or, to the knowledge of the Borrower, indirectly, in a manner that would violate the Foreign Corrupt Practices Act of 1977 or applicable Sanctions. To the extent applicable, each Loan Party is in compliance, in all material respects, with (a) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto and (b) the PATRIOT Act.

## **Article V. AFFIRMATIVE COVENANTS**

Each Loan Party covenants and agrees that, so long as any Commitment is in effect and until Payment in Full of the Obligations under the Loan Documents, such Loan Party shall:

**Section 5.01 Compliance with Laws, Etc.** Comply, and cause each of its Subsidiaries to comply, except where the failure to so comply would not reasonably be expected to have a Material Adverse Effect, with all applicable laws, rules, regulations and orders, including, without limitation, ERISA, Environmental Laws and the PATRIOT Act.

**Section 5.02 Payment of Taxes, Etc.** Pay and discharge, and cause each of its Subsidiaries to pay and discharge, before the same shall become delinquent, all Taxes imposed upon it or upon its property; provided, however, that neither the Borrower nor any of its Subsidiaries shall be required to pay or discharge any such Tax (i) that is being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained in

accordance with GAAP or (ii) if the failure to pay or discharge such Tax would not be reasonably expected to have a Material Adverse Effect.

**Section 5.03 Maintenance of Insurance.** In the case of the Borrower, maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as is (i) commercially reasonable in the good faith judgment of the management of the Borrower and (ii) either consistent with past practices or in such amounts and covering such risks as is usually carried by companies engaged in similar businesses or owning similar properties in the same general areas in which such Loan Party operates; provided, however, that the Loan Parties may self-insure to the extent deemed commercially reasonable in the good faith judgment of the management of the Borrower.

**Section 5.04 Preservation of Existence, Etc.** Preserve and maintain and cause each of its Subsidiaries to preserve and maintain its corporate or other organizational existence, rights (charter and statutory) and franchises; provided, however, that the Loan Parties and their Subsidiaries may consummate any merger or consolidation not prohibited under Section 6.02; and provided, further, that no Loan Party nor its Subsidiaries shall be required to preserve its existence or any of its rights or franchises if the management of the Borrower shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Loan Parties and their Subsidiaries, taken as a whole, or if the failure to preserve such existence, right or franchise would not reasonably be expected to have a Material Adverse Effect.

**Section 5.05 Visitation Rights.** At any reasonable time and from time to time, permit the Administrative Agent or any of the Lenders or any agents or representatives thereof, to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, the Loan Parties and any of their Subsidiaries, and to discuss the affairs, finances and accounts of the Borrower and any of its Subsidiaries with any of their officers or directors and with their independent certified public accountants.

**Section 5.06 Keeping of Books.** Keep, and cause each of its Subsidiaries to keep, proper books of record and account in conformity with GAAP.

**Section 5.07 Maintenance of Properties, Etc.** Maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, all of its properties (including Intellectual Property) that are used or useful in the conduct of its business in good working order and condition, ordinary wear and tear excepted, in each case except where the failure to so maintain and preserve would not reasonably be expected to have a Material Adverse Effect.

**Section 5.08 Reporting Requirements.** Furnish to the Administrative Agent for prompt distribution to the Lenders:

(a) as soon as available and in any event within 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year (giving effect to any extensions permitted by the SEC), the consolidated balance sheet of the Group as of the end of such Fiscal Quarter and consolidated statements of income and cash flows of the Group for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter, duly certified (subject to year-end audit adjustments) by the Financial Officer as having been prepared in accordance with GAAP and a Compliance Certificate by the Financial Officer as to

compliance with the terms of this Agreement and setting forth in reasonable detail the calculations necessary to demonstrate compliance with Section 6.04; provided that in the event of any change in GAAP used in the preparation of such financial statements, the Borrower shall also provide, if necessary for the determination of compliance with Section 6.04, a statement of reconciliation conforming such financial statements to GAAP;

(b) as soon as available and in any event within 90 days after the end of each Fiscal Year (giving effect to any extensions permitted by the SEC), a copy of the annual audit report for such year for the Group, containing the consolidated balance sheet of the Group as of the end of such Fiscal Year and consolidated statements of income and cash flows of the Group for such Fiscal Year, in each case accompanied by an audit opinion by Ernst & Young LLP or other independent public accountants of national standing or otherwise acceptable to the Required Lenders, which report shall be unqualified as to the scope of audit and shall state that such financial statements present fairly in all material respects the financial condition as at the end of such Fiscal Year, and a Compliance Certificate by the Financial Officer as to compliance with the terms of this Agreement and setting forth in reasonable detail the calculations necessary to demonstrate compliance with Section 6.04; provided that in the event of any change in GAAP used in the preparation of such financial statements, the Borrower shall also provide, if necessary for the determination of compliance with Section 6.04, a statement of reconciliation conforming such financial statements to GAAP;

(c) as soon as possible and in any event within five days after an officer of the Borrower obtains knowledge of the occurrence of any Default continuing on the date of such statement, a statement of an officer of the Borrower setting forth details of such Default and the action that the Borrower has taken and proposes to take with respect thereto;

(d) promptly after the sending or filing thereof, copies of all reports that the Borrower sends to any of its security holders, and copies of all reports and registration statements that the Borrower or any Subsidiary files with the SEC or any national securities exchange;

(e) promptly after the commencement thereof, notice of all actions and proceedings before any court, governmental agency or arbitrator affecting the Borrower or any of its Subsidiaries of the type described in Section 4.10; and

(f) prompt notice of any change in the Public Debt Rating and such other information respecting the Borrower or any of its Subsidiaries as any Lender through the Administrative Agent may from time to time reasonably request.

Any information or document that is required to be delivered to the Administrative Agent pursuant to this Section 5.08(f) shall be deemed delivered to the Administrative Agent and the Lenders upon the filing of such information with the SEC at the time such information or document becomes available on EDGAR; provided that the Borrower gives timely notice to the Administrative Agent of the filing thereof.

**Section 5.09 Transactions with Affiliates.** Conduct, and cause each of its Subsidiaries to conduct, all transactions otherwise permitted under this Agreement with any of their Affiliates on terms that, in the good faith judgment of the management of the Borrower, are fair and reasonable and no less favorable to such Loan Party than it would obtain in a comparable arm's

length transaction with a Person not an Affiliate; provided that the foregoing restriction shall not apply to (a) transactions between or among the Borrower and any of its Subsidiaries or between and among any Subsidiaries, (b) the payment of reasonable fees and out-of-pocket costs to directors, and compensation and employee benefit arrangements paid to, and indemnities provided for the benefit of, directors, officers or employees of the Borrower or any of its Subsidiaries or (c) any issuances of securities or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment agreements, stock options and stock ownership plans approved by the Borrower's Board of Directors.

#### **Section 5.10 Subsidiaries.**

If, after the Springing Lien Trigger Event shall have occurred (and before the Guarantee Release Date), any Person becomes a U.S. Subsidiary and Wholly-Owned Subsidiary of the Borrower (and is not excluded from the definition of "Subsidiary Guarantor" pursuant to clauses (a)-(e) thereof), then promptly, but in any event within 30 days (or such other time period as the Administrative Agent may agree in its sole discretion, but in any event no earlier than the date on which the Pledge and Security Agreement has been executed by the Borrower in accordance with Section 5.13) after such Person becomes a U.S. Subsidiary and Wholly-Owned Subsidiary of the Borrower, (a) cause such Person to become (i) a Guarantor hereunder by executing and delivering to the Administrative Agent a Counterpart Agreement pursuant to which such Person shall become a "Guarantor" for all purposes under this Agreement and each other Loan Document and shall be bound by all of the obligations and shall have all of the rights of a "Guarantor" under this Agreement and each other Loan Document including, without limitation, providing the guarantee of the Guaranteed Obligations as set forth in Article VII and (ii) a grantor under the Pledge and Security Agreement and to execute all other documents reasonably requested by the Collateral Agent (and consistent with the terms of the Pledge and Security Agreement) in order to grant and to perfect a first priority Lien (subject only to Liens permitted pursuant to Section 6.01) in favor of the Collateral Agent, for the benefit of Guaranteed Parties, in the Collateral; provided that no actions in any non-U.S. jurisdiction shall be required in order to create any Lien in assets located or titled outside the United States or to perfect any Lien in such assets, including any intellectual property registered in non-U.S. jurisdictions (it being understood that there shall be no security agreements or pledge agreements governed under the laws of any non-U.S. jurisdiction) and (b) as requested by the Administrative Agent, execute and deliver, or cause to be executed and delivered, all documents (including without limitation, customary opinions of counsel), as are similar to those delivered with respect to any Person that has become a Guarantor in accordance with Section 5.13. Notwithstanding anything herein to the contrary, if the Springing Lien Trigger Event shall not have occurred prior to the end of the Covenant Relief Period, this Section 5.10 shall automatically fall away and shall be of no further force and effect (including, for the avoidance of doubt, upon a subsequent decline in the Public Debt Rating such that the conditions set forth in the definition of "Guarantee Release Date" hereunder are no longer satisfied).

**Section 5.11 AML Laws; FCPA and Sanctions.** (i) Use the proceeds of the Loans only for the purposes set forth in Section 2.06; and (ii) not request any borrowing hereunder, and not lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person which uses such proceeds for the purpose of funding activities or business directly, or to the knowledge of the Borrower or such Subsidiary, indirectly (A) in

violation of AML Laws, (B) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the Foreign Corrupt Practices Act of 1977 or (C) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country to the extent such activities, businesses or transaction would be prohibited for a Person required to comply with Sanctions.

**Section 5.12 Further Assurances.** At any time or from time to time upon the request of the Administrative Agent, at the expense of the Loan Parties, promptly execute, acknowledge and deliver such further documents and do such other acts and things as the Administrative Agent may reasonably request in order to effect fully the purposes of the Loan Documents.

**Section 5.13 Springing Guaranty and Lien.**

(a) As soon as is practicable, but in any event within 120 days (subject to extension by the Administrative Agent in its sole discretion) after the date of the occurrence of the Springing Lien Trigger Event, (i) the Borrower shall cause each U.S. Subsidiary that is a Wholly-Owned Subsidiary of the Borrower and that is not excluded from the definition of “Subsidiary Guarantor” pursuant to clauses (a)-(e) thereof, to become a Guarantor hereunder by executing and delivering to the Administrative Agent a Counterpart Agreement pursuant to which such Person shall become a “Guarantor” for all purposes under this Agreement and each other Loan Document and shall be bound by all of the obligations and shall have all of the rights of a “Guarantor” under this Agreement and each other Loan Document including, without limitation, providing the guarantee of the Guaranteed Obligations as set forth in Article VII and (ii) the Borrower and the Guarantors shall become grantors under the Pledge and Security Agreement and execute all other documents reasonably requested by the Collateral Agent (and consistent with the terms of the Pledge and Security Agreement) in order to grant and to perfect a first priority Lien (subject only to Liens permitted pursuant to Section 6.01) in favor of the Collateral Agent, for the benefit of Guaranteed Parties, in the Collateral; provided that no actions in any non-U.S. jurisdiction shall be required in order to create any Lien in assets located or titled outside the United States or to perfect any Lien in such assets, including any intellectual property registered in non-U.S. jurisdictions (it being understood that there shall be no security agreements or pledge agreements governed under the laws of any non-U.S. jurisdiction).

(b) At the time of the execution and delivery of the Counterpart Agreement and the Pledge and Security Agreement, the Borrower shall cause to be delivered customary opinions of counsel with respect to the Guarantors and grantors named therein.

(c) On the Guarantee Release Date (and the Borrower’s written notice to the Administrative Agent thereof), this Section 5.13 shall thereafter automatically fall away and shall be of no further force and effect (including, for the avoidance of doubt, upon a subsequent decline in the Public Debt Rating such that the conditions set forth in the definition of “Guarantee Release Date” hereunder are no longer satisfied).

(d) Notwithstanding anything herein to the contrary, if the Springing Lien Trigger Event shall not have occurred prior to the end of the Covenant Relief Period, this Section 5.13 shall automatically fall away and shall be of no further force and effect (including, for the

avoidance of doubt, upon a subsequent decline in the Public Debt Rating such that the conditions set forth in the definition of “Guarantee Release Date” hereunder are no longer satisfied).

## **Article VI. NEGATIVE COVENANTS**

Each Loan Party covenants and agrees that, so long as any Commitment is in effect and until Payment in Full of the Obligations under the Loan Documents, such Loan Party shall not, and, in the case of Section 6.01 and Section 6.03, shall cause each of its Subsidiaries not to:

**Section 6.01 Liens.** Create, incur or assume any Lien on or with respect to any property or asset of any kind (including any document or instrument in respect of goods or accounts receivable) of any Loan Party or any of its Subsidiaries, whether now owned or hereafter acquired or licensed, or any income, profits or royalties therefrom, except:

(a) Permitted Liens;

(b) Liens securing obligations under Finance Leases;

(c) purchase money Liens upon or in any real property or equipment acquired or held by the Borrower or any Subsidiary in the ordinary course of business to secure the purchase price of such property or equipment or to secure Indebtedness incurred solely for the purpose of financing the acquisition of such property or equipment, or Liens existing on such property or equipment at the time of its acquisition (other than any such Liens created in contemplation of such acquisition that were not incurred to finance the acquisition of such property) or extensions, renewals or replacements of any of the foregoing for the same or a lesser amount, provided, however, that no such Lien shall extend to or cover any properties of any character other than the real property or equipment being acquired, and no such extension, renewal or replacement shall extend to or cover any properties not theretofore subject to the Lien being extended, renewed or replaced;

(d) the Liens existing on the Closing Date and described on Schedule 6.01(d);

(e) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Borrower or any Subsidiary of the Borrower or becomes a Subsidiary of the Borrower and Liens on assets existing at the time such assets are acquired by the Borrower or any Subsidiary of the Borrower; provided that such Liens were not created in contemplation of such merger, consolidation or acquisition and do not extend to any assets other than those of the Person so merged into or consolidated with the Borrower or such Subsidiary or acquired by the Borrower or such Subsidiary;

(f) Liens securing any Loans, reimbursements of amounts drawn under letters of credit under the Existing Credit Agreement, any other Obligations under or in connection with the Loan Documents or any “Obligations” under and as defined in the Existing Credit Agreement so long as the Obligations hereunder are secured equally and ratably therewith;

(g) Liens not otherwise permitted by this Section 6.01 securing Indebtedness or other obligations of the Borrower and its Subsidiaries; provided that the aggregate principal amount of

all such Indebtedness and other obligations, together with any Indebtedness incurred under Section 6.03(n), does not exceed an amount equal to 12.5% of Consolidated Net Worth of the Borrower and its Subsidiaries at the time of creation, incurrence or assumption of such Indebtedness or other obligation; provided further that, during the Covenant Relief Period, such amount may not exceed \$100,000,000 at the time of creation, incurrence or assumption of such Indebtedness or other obligation; and

(h) the replacement, extension or renewal of any Lien permitted by clause (c) or (d) above upon or in the same property theretofore subject thereto or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor) of the Indebtedness or other obligations secured thereby.

### **Section 6.02 Mergers, Etc.**

Allow the Borrower to merge or consolidate with or into any Person, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of the assets (whether now owned or hereafter acquired) of the Borrower and its Subsidiaries taken as a whole to any Person, except that (a) the Borrower may merge or consolidate with any other Person so long as the Borrower is the surviving Person and (b) the following shall be permitted: (A) the Person formed by such consolidation or into which the Borrower is merged, or the acquiring Person, is a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia, (B) such Person expressly assumes, pursuant to an instrument executed and delivered to the Administrative Agent, and in form and substance reasonably satisfactory to the Administrative Agent, the Borrower's obligations for the due and punctual payment of the Obligations and the performance of every covenant, in each case, under the Loan Documents on the part of the Borrower to be performed, (C) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing and (D) each Lender shall have received have received, at least three Business Days prior to the consummation of such transaction, (I) all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the PATRIOT Act and (II) if the successor Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to the Borrower.

**Section 6.03 Indebtedness.** Allow any Subsidiary to, create, incur, assume or guaranty, or otherwise become liable with respect to any Indebtedness, except:

(a) Unsecured Indebtedness owing to the Borrower or any of its Subsidiaries;

(b) Indebtedness listed on Schedule 6.03(b) (the "Existing Subsidiary Debt"), and any Indebtedness extending the maturity of, or replacing, refunding, renewing or refinancing, in whole or in part, the Existing Subsidiary Debt; provided, that the principal amount of such Existing Subsidiary Debt shall not be increased above the principal amount thereof outstanding immediately prior to such extension, replacement, refunding, renewal or refinancing (except by an amount equal to any existing commitments utilized thereunder and in respect of unpaid premiums (if any), unpaid interest (including post-petition interest) and fees, expenses and

charges resulting from any such extension, replacement, refunding, renewal or refinancing) as a result of or in connection with such extension, replacement, refunding, renewal or refinancing;

(c) guarantees by any Subsidiary in respect of Indebtedness of any other Subsidiary otherwise permitted under this Section 6.03;

(d) Indebtedness representing deferred compensation or similar obligations to employees incurred in the ordinary course of business;

(e) any Indebtedness of (A) a Person that becomes a Subsidiary of the Borrower to the extent such Indebtedness exists at the time such Person becomes a Subsidiary of the Borrower and is not created in contemplation of or in connection with such Person becoming a Subsidiary of the Borrower and (B) a Subsidiary of the Borrower to the extent such Indebtedness is assumed in connection with an acquisition made by such Subsidiary and is not created in contemplation of such acquisition; provided, however, that such Indebtedness shall not be guaranteed by any Subsidiary other than the acquired Subsidiary and its Subsidiaries unless such Subsidiary is a Guarantor;

(f) any guarantees for the Loans, reimbursement obligations under letters of credit issued under the Existing Credit Agreement, any other Obligations under or in connection with the Loan Documents or any "Obligations" under and as defined in the Existing Credit Agreement;

(g) endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business;

(h) Indebtedness under Finance Leases;

(i) unsecured obligations due to vendors under any vendor factoring line;

(j) obligations in respect of letters of credit entered into in the ordinary course of business;

(k) obligations under Hedge Agreements entered into for bona fide hedging purposes and not for speculative purposes;

(l) any liability arising under a declaration of joint and several liability used for the purpose of section 2:403 Dutch Civil Code (and any residual liability under such declaration arising pursuant to section 2:404(2) Dutch Civil Code);

(m) any liability arising as a result of two or more Group Members being part of a fiscal unity (*fiscale eenheid*) for Dutch Tax purposes;

(n) other Indebtedness of the applicable Subsidiaries that, together with the amount of Indebtedness and other obligations secured by Liens permitted under Section 6.01(g), does not exceed 12.5% of Consolidated Net Worth of the Borrower and its Subsidiaries at the time of creation, incurrence or assumption of such Indebtedness; provided further that, during the Covenant Relief Period, such amount may not exceed \$100,000,000 at the time of creation, incurrence or assumption of such Indebtedness or other obligation; and



(o) any Indebtedness of a Guarantor until such time as such Subsidiary is no longer a Guarantor;

provided that if the Guarantee Release Date has occurred and the applicable Guaranties have been released, all existing and future Indebtedness of each such former Subsidiary Guarantor shall be subject to the restrictions set forth in this Section 6.03 (unless the Borrower has elected, at its option, to cause such Subsidiary to be a Subsidiary Guarantor, in which case such restrictions shall not apply to such Subsidiary from and after such time as it shall be a Subsidiary Guarantor).

**Section 6.04 Financial Covenants.** In the case of the Borrower:

(a) Interest Coverage Ratio. Permit the Interest Coverage Ratio as of the last day of the first Fiscal Quarter succeeding the Closing Date and any Fiscal Quarter thereafter (including from and after the date that the Administrative Agent receives a Covenant Relief Period Termination Notice) to be less than 5.00:1.00; provided that, during the Covenant Relief Period, the Borrower shall not be required to comply with the Interest Coverage Ratio.

(b) Net Leverage Ratio. Permit the Net Leverage Ratio as of the last day of the first Fiscal Quarter succeeding the Closing Date and any Fiscal Quarter thereafter (including from and after the date that the Administrative Agent receives a Covenant Relief Period Termination Notice) to exceed (i) if such day occurs during an Acquisition Period, 4.50 to 1.00 or (ii) if such day does not occur during an Acquisition Period, 4.00:1.00; provided that:

(i) during the Covenant Relief Period, the Borrower shall not be required to comply with the Net Leverage Ratio required in clause (b) above;

(ii) after the Covenant Relief Period (except in the circumstance where the Covenant Relief Period is terminated as a result of the Administrative Agent having received a Covenant Relief Period Termination Notice), the Borrower shall not permit the Net Leverage Ratio as of the last day of any Fiscal Quarter specified in the table below to exceed the ratio set forth below opposite such period:

<b>Fiscal Quarter ending</b>	<b>Maximum Net Leverage Ratio</b>
Second Fiscal Quarter of Fiscal Year 2021	5.25:1.00
Third Fiscal Quarter of Fiscal Year 2021	4.50:1.00
Fourth Fiscal Quarter of Fiscal Year 2021	4.00:1.00

Notwithstanding anything herein to the contrary, at any time after the definitive agreement for any Qualifying Acquisition has been executed (or, in the case of a Qualifying Acquisition in the form of a tender offer or similar transaction, after the offer shall have been launched) and prior to the consummation of such Qualifying Acquisition (or termination of the definitive documentation in respect thereof (or such earlier date as such Indebtedness ceases to

constitute Acquisition Debt)), any Acquisition Debt (and the proceeds thereof) shall be excluded from the calculation of the Interest Coverage Ratio and Net Leverage Ratio.

(c) Minimum Liquidity. During the Covenant Relief Period, permit the sum of (i) the sum of (x) Unrestricted Cash and cash equivalents of the Borrower and its Subsidiaries free and clear of all Liens other than Permitted Liens, plus (y) cash and cash equivalents of the Borrower and its Subsidiaries that are restricted in favor of the Obligations (which may include cash and cash equivalents securing other Indebtedness secured by a Lien on the Collateral), plus (ii) the amount by which the Revolving Commitments exceed the Total Utilization of Revolving Commitments, plus (iii) the sum of the amount by which (w) the Canadian Revolving Commitments (as defined in the Existing Credit Agreement) exceed the Total Utilization of Canadian Revolving Commitments (as defined in the Existing Credit Agreement), (x) the European Revolving Commitments (as defined in the Existing Credit Agreement) exceed the Total Utilization of European Revolving Commitments (as defined in the Existing Credit Agreement), (y) the Hong Kong Revolving Commitments (as defined in the Existing Credit Agreement) exceed the Total Utilization of Hong Kong Revolving Commitments (as defined in the Existing Credit Agreement) and (z) the U.S. Revolving Commitments (as defined in the Existing Credit Agreement) exceed the Total Utilization of U.S. Revolving Commitments (as defined in the Existing Credit Agreement) (the "Liquidity"), at any time during the Covenant Relief Period to be less than \$400,000,000.

Notwithstanding anything herein to the contrary, if the financial covenants and/or defined terms relating thereto set forth in the Existing Credit Agreement shall from time to time be amended, replaced, waived or otherwise modified in any respect in accordance with the terms thereof (or through any restatement, replacement or refinancing thereof) (the "Financial Covenant Modification"), this Section 6.04 (and any defined terms relating hereto) shall automatically and without any further action by any Lender or the Administrative Agent be amended, waived, or otherwise modified to the extent required to render this Section 6.04 identical to the financial covenants (and any defined terms relating thereto) in the Existing Credit Agreement after giving effect to such amendment, replacement, waiver or modification (or restatement, replacement or refinancing thereof); provided that, if in connection with any such Financial Covenant Modification, (i) there is any increase in pricing, interest margin, benchmark floors, or other economic consideration provided to the lenders under the Existing Credit Agreement, the same increase in pricing, margin, floors or other consideration shall be provided to the Lender hereunder and (ii) any other negative covenants are added to the Existing Credit Agreement or any negative covenants contained in both this Agreement and the Existing Credit Agreement are amended in the Existing Credit Agreement, such new negative covenants or such amendments shall also apply to this Agreement (in each case, automatically, and without any further action by the Borrower, any Lender or the Administrative Agent).

#### **Section 6.05 Restricted Payments.**

In the case of the Borrower, during the Covenant Relief Period, declare or pay any cash dividend or make any cash distribution on or in respect of, or purchase, redeem, retire or otherwise acquire for value any of, its capital stock (collectively, "Restricted Payments"), except:

(a) the Borrower may pay any dividend or distribution within 60 days after the date of declaration thereof, if at the date of declaration such payment would have complied with the provisions of this Agreement (including the other provisions of this Section 6.05);

(b) so long as no Default or Event of Default shall have occurred and be continuing or shall be caused thereby, the Borrower may make other Restricted Payments in an aggregate amount pursuant to this Section 6.05(b) not to exceed \$5,000,000;

(c) the Borrower may make purchases, redemptions, retirements or other acquisitions for value of any of its capital stock deemed to occur upon exercise of options, warrants, restricted stock units or similar rights if such capital stock represents all or a portion of the exercise price thereof or is deemed to occur in connection with the satisfaction of any withholding tax obligation incurred relating to the vesting or exercise of such options, warrants, restricted stock units or similar rights; and

(d) in connection with any Permitted Convertible Indebtedness, any Permitted Bond Hedge Transaction or any Permitted Warrant Transaction (it being understood that the Borrower will not be permitted under this clause (d) to pay any dividend or make any cash distribution to its shareholders or purchase, redeem, retire or otherwise acquire for value any of its, capital stock, from the net cash proceeds thereof).

## **Article VII. GUARANTY**

### **Section 7.01 Guaranty of the Obligations.**

(a) Subject to the provisions of Section 7.02, each Guarantor jointly and severally hereby irrevocably and unconditionally guaranties to the Administrative Agent for the ratable benefit of the Guaranteed Parties the due and punctual Payment in Full of all Obligations of the Borrower when the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a) or any comparable provision of any other Debtor Relief Law) (the "Guaranteed Obligations").

(b) Any time after the Closing Date, the Borrower may cause any Subsidiary to guarantee the Obligations of the Borrower hereunder by delivering to the Administrative Agent a Counterpart Agreement pursuant to which such Person shall become a "Guarantor" for all purposes under this Agreement and each other Loan Document and shall be bound by all of the obligations and shall have all of the rights of a "Guarantor" under this Agreement and each other Loan Document including, without limitation, providing the guarantee of the Guaranteed Obligations as set forth in this Article VII.

### **Section 7.02 Limitation on Liability; Contribution by Guarantors.**

(a) Notwithstanding the foregoing, each Guarantor, and by acceptance of the benefits hereof, the Administrative Agent and each other Guaranteed Party, hereby confirms that it is the intention of all such Persons that each Guaranty and the Guaranteed Obligations of each

Guarantor hereunder not constitute a fraudulent conveyance for purposes of the Bankruptcy Code or any other federal, state or foreign bankruptcy, insolvency, receivership or similar law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to each Guaranty and the Guaranteed Obligations of each Guarantor hereunder. To effectuate the foregoing intention, the Administrative Agent and the Lenders hereby irrevocably agree that the Guaranteed Obligations of each Guarantor hereunder at any time shall be limited to the maximum amount as will result in the Guaranteed Obligations of such Guarantor hereunder not constituting a fraudulent transfer or conveyance.

(b) Each Guarantor (the “Contributing Guarantors”) desires to allocate among themselves, in a fair and equitable manner, the Guaranteed Obligations arising under this Guaranty. Accordingly, in the event any payment or distribution is made on any date by a Guarantor (a “Funding Guarantor”) under this Guaranty such that its Aggregate Payments exceed its Fair Share as of such date, such Funding Guarantor shall be entitled to a contribution from each of the other applicable Contributing Guarantors in an amount sufficient to cause each such Contributing Guarantor’s Aggregate Payments to equal its Fair Share as of such date. “Fair Share” means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (a) the ratio of (i) the Fair Share Contribution Amount with respect to such Contributing Guarantor to (ii) the aggregate of the Fair Share Contribution Amounts with respect to all Contributing Guarantors multiplied by (b) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under this Guaranty in respect of the Guaranteed Obligations,. “Fair Share Contribution Amount” means, with respect to a Contributing Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Contributing Guarantor under this Guaranty that would not render its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any comparable applicable provisions of any Debtor Relief Law; provided, that solely for purposes of calculating the Fair Share Contribution Amount with respect to any Contributing Guarantor for purposes of this Section 7.02, any assets or liabilities of such Contributing Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Contributing Guarantor. “Aggregate Payments” means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (1) the aggregate amount of all payments and distributions made on or before such date by such Contributing Guarantor in respect of this Guaranty (including in respect of this Section 7.02), minus (2) the aggregate amount of all payments received on or before such date by such Contributing Guarantor from the other applicable Contributing Guarantors as contributions under this Section 7.02. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. The allocation among the applicable Contributing Guarantors of their obligations as set forth in this Section 7.02 shall not be construed in any way to limit the liability of any Contributing Guarantor hereunder. Each Guarantor is a third party beneficiary to the contribution agreement set forth in this Section 7.02.

### **Section 7.03 Payment by Guarantors.**

Subject to Section 7.02, the Guarantors hereby jointly and severally agree, in furtherance of the foregoing and not in limitation of any other right which any Guaranteed Party may have at law or in equity against any of them by virtue hereof, that upon the failure of the Borrower to pay any of the Guaranteed Obligations when and as the same shall become due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a), or any comparable provision of any other Debtor Relief Law), the Borrower and the Guarantors, as applicable, shall upon demand pay, or cause to be paid, in cash, to the Administrative Agent for the ratable benefit of the Guaranteed Parties, an amount equal to the sum of the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for the Borrower's becoming the subject of a case under the Bankruptcy Code or any other Debtor Relief Law, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against the Borrower for such interest in the related bankruptcy case or analogous proceeding under any Debtor Relief Law) and all other Guaranteed Obligations then owed to the Guaranteed Parties as aforesaid.

**Section 7.04 Liability of Guarantors Absolute.** Each Guarantor agrees that, to the maximum extent permitted by applicable law, its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a Guarantor or surety other than Payment in Full of the applicable Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees, to the maximum extent permitted by applicable law, as follows:

- (a) this Guaranty is a guaranty of payment when due and not of collectability;
- (b) this Guaranty is a primary obligation of each Guarantor and not merely a contract of surety;
- (c) the Administrative Agent may enforce this Guaranty upon the occurrence of an Event of Default notwithstanding the existence of any dispute between the Borrower and any Guaranteed Party with respect to the existence of such Event of Default;
- (d) the obligations of each Guarantor hereunder are independent of the obligations of the Borrower and the obligations of any other guarantor (including any other Guarantor) of the obligations of the Borrower, and a separate action or actions may be brought and prosecuted against such Guarantor whether or not any action is brought against the Borrower or any of such other guarantors and whether or not the Borrower is joined in any such action or actions;
- (e) payment by any Guarantor of a portion, but not all, of the applicable Guaranteed Obligations shall in no way limit, affect, modify or abridge any Guarantor's liability for any portion of the applicable Guaranteed Obligations which has not been paid. Without limiting the generality of the foregoing, if the Administrative Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the applicable Guaranteed Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the applicable Guaranteed Obligations that is not the subject of such suit, and such judgment shall not, except to the extent satisfied by such Guarantor, limit, affect, modify or

abridge any other Guarantor's liability hereunder in respect of the applicable Guaranteed Obligations;

(f) any Guaranteed Party, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability hereunder, from time to time may (i) renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guaranteed Obligations and take and hold security for the payment hereof or the Guaranteed Obligations; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guaranties of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of such Guaranteed Party in respect hereof or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that such Guaranteed Party may have against any such security, in each case as such Guaranteed Party in its discretion may determine consistent herewith and any applicable security agreement, including foreclosure on any such security pursuant to one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against the Borrower or any security for the Guaranteed Obligations; and (vi) exercise any other rights available to it under the Loan Documents; and

(g) this Guaranty and the obligations of Guarantors hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than Payment in Full of the applicable Guaranteed Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Loan Documents at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guaranty of or security for the payment of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to Events of Default) hereof, any of the other Loan Documents or any agreement or instrument executed pursuant thereto, or of any other guaranty or security for the Guaranteed Obligations, in each case whether or not in accordance with the terms hereof or such Loan Document or any agreement relating to such other guaranty or security; (iii) the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect (other than with respect to defense of payment or performance in full); (iv) the application of payments received from any source (other than payments received pursuant to the other Loan Documents or from the proceeds of any security for the Guaranteed Obligations, except to the extent such security also serves as

collateral for Indebtedness other than the Guaranteed Obligations) to the payment of Indebtedness other than the Guaranteed Obligations, even though any Guaranteed Party might have elected to apply such payment to any part or all of the Guaranteed Obligations; (v) any Guaranteed Party's consent to the change, reorganization or termination of the corporate structure or existence of any Group Member and to any corresponding restructuring of the Guaranteed Obligations; (vi) any failure to perfect or continue perfection of a security interest in any collateral which secures any of the Guaranteed Obligations; (vii) any defenses (other than defense of payment or performance in full), set-offs or counterclaims which the Borrower may allege or assert against any Guaranteed Party in respect of the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (viii) any other act or omission, or delay to do any other act, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

**Section 7.05 Waivers by Guarantors.** Each Guarantor hereby waives, for the benefit of the Guaranteed Parties: (a) any right to require any Guaranteed Party, as a condition of payment or performance by such Guarantor, to (i) proceed against the Borrower, any other guarantor (including any other Guarantor) of the applicable Guaranteed Obligations or any other Person, (ii) proceed against or exhaust any security held from the Borrower, any such other guarantor or any other Person, (iii) proceed against or have resort to any balance of any deposit account or credit on the books of any Guaranteed Party in favor of the Borrower, any such other guarantor or any other Person, or (iv) pursue any other remedy in the power of any Guaranteed Party whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of the Borrower or any other guarantor (including any other Guarantor) including any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of the Borrower or any such other guarantor from any cause other than Payment in Full of the applicable Guaranteed Obligations; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Guaranteed Party's errors or omissions in the administration of the Guaranteed Obligations, except behavior which amounts to bad faith; (e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that any Guaranteed Party protect, secure, perfect or insure any security interest or Lien or any property subject thereto; (f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder, or under any agreement or instrument related thereto, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, notices of any extension of credit to the Borrower and notices of any of the matters referred to in Section 7.04 and any right to consent to any thereof; and (g) any defenses (other than defense of payment or performance in full) or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

**Section 7.06 Guarantors' Rights of Subrogation, Contribution, Etc.** Until the applicable Guaranteed Obligations shall have been Paid in Full, each Guarantor hereby waives any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against the Borrower or any other Guarantor or any of its assets in connection with this Guaranty or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise and including (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against the Borrower with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that any Guaranteed Party now has or may hereafter have against the Borrower, and (c) any benefit of, and any right to participate in, any collateral or security now or hereafter held by any Guaranteed Party. In addition, until the applicable Guaranteed Obligations shall have been Paid in Full, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the applicable Guaranteed Obligations, including any such right of contribution as contemplated by Section 7.02. Each Guarantor further agrees that, to the extent the waiver or agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against the Borrower or against any collateral or security, and any rights of contribution such Guarantor may have against any such other guarantor, shall be junior and subordinate to any rights any Guaranteed Party may have against the Borrower, to all right, title and interest any Guaranteed Party may have in any such collateral or security, and to any right any Guaranteed Party may have against such other guarantor. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement, indemnification or contribution rights at any time when all applicable Guaranteed Obligations shall not have been Paid in Full, such amount shall be held in trust for the Administrative Agent on behalf of the Guaranteed Parties and shall forthwith be paid over to the Administrative Agent for the benefit of the Guaranteed Parties to be credited and applied against the applicable Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.

**Section 7.07 Continuing Guaranty.** This Guaranty is a continuing guaranty and shall remain in effect until all of the Guaranteed Obligations, respectively, shall have been Paid in Full. Each Guarantor hereby irrevocably waives any right to revoke this guaranty as to future transactions giving rise to any Guaranteed Obligations.

**Section 7.08 Authority of Guarantors or the Borrower.** It is not necessary for any Guaranteed Party to inquire into the capacity or powers of any Guarantor or the Borrower or the officers, directors or any agents acting or purporting to act on behalf of any of them.

**Section 7.09 Financial Condition of the Borrower.** Any Credit Extension may be made to the Borrower or continued from time to time without notice to or authorization from any Guarantor regardless of the financial or other condition of the Borrower at the time of any such grant or continuation. No Guaranteed Party shall have any obligation to disclose or discuss with any Guarantor its assessment, or any Guarantor's assessment, of the financial condition of such obligor. Each Guarantor has adequate means to obtain information from each such obligor on a continuing basis concerning the financial condition of each such obligor and its ability to



perform its obligations under the Loan Documents, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of each such obligor and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of any Guaranteed Party to disclose any matter, fact or thing relating to the business, operations or conditions of any such obligor now known or hereafter known by any Guaranteed Party.

#### **Section 7.10 Bankruptcy, Etc.**

(a) The obligations of the Guarantors hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any case or proceeding (or analogous proceeding under any Debtor Relief Law), voluntary or involuntary, involving the bankruptcy, insolvency, examinership, receivership, reorganization, liquidation or arrangement of the Borrower or any other Guarantor or by any defense which the Borrower or any other Guarantor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the applicable Guaranteed Obligations which accrues after the commencement of any case or proceeding referred to in Section 7.10(a) (or, if interest on any portion of the applicable Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of such case or proceeding, such interest as would have accrued on such portion of the applicable Guaranteed Obligations if such case or proceeding had not been commenced) shall be included in the applicable Guaranteed Obligations because it is the intention of the Guarantors and Guaranteed Parties that the Guaranteed Obligations which are guaranteed by the Guarantors pursuant hereto should be determined without regard to any rule of law or order which may relieve the Borrower of any portion of such Guaranteed Obligations. The Guarantors shall permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar Person under any Debtor Relief Law to pay the Administrative Agent, or allow the claim of the Administrative Agent in respect of, any such interest accruing after the date on which such case or proceeding is commenced.

(c) In the event that all or any portion of the Guaranteed Obligations are paid by the Borrower, the obligations of the Guarantors with respect to such amounts hereunder shall be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from any Guaranteed Party as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.

#### **Section 7.11 Discharge of Guaranty.**

(a) If all of the Equity Interests of any Guarantor or any of its successors in interest hereunder shall be sold or otherwise disposed of or such Guarantor ceases to be a Subsidiary, in each case in accordance with the terms hereof or as otherwise consented to by the Required Lenders (or such other Lenders as may be required to give such consent under Section 10.05), the Guaranty of such Guarantor or such successor in interest, as the case may be, hereunder and all security interests (if any) granted in the Collateral by such Guarantor to secure such Guaranty shall automatically be discharged and released without any further action by any Guaranteed

Party or any other Person effective as of the time of such transaction or consent. Upon request of the Borrower, the Administrative Agent and the Collateral Agent shall take, and the Lenders hereby authorize the Administrative Agent and the Collateral Agent to take, such actions as shall be reasonably requested to evidence the termination and release of such Guaranty and the security interests in the Collateral.

(b) On the Guaranty Release Date, upon request of the Borrower, the Guaranty of each Guarantor and all security interests (if any) granted in the Collateral by such Guarantor to secure such Guaranty shall automatically be discharged and released without any further action by any Guaranteed Party or any other Person and such Guaranty of each Guarantor and such security interests shall not be reinstated (including, for the avoidance of doubt, upon a subsequent decline in the Public Debt Rating such that the conditions set forth in the definition of “Guaranty Release Date” are no longer satisfied). Upon such request of the Borrower, the Administrative Agent and the Collateral Agent shall take, and the Lenders hereby authorize the Administrative Agent and the Collateral Agent to take, such actions as shall be reasonably requested to evidence the termination and release of such Guaranties and such security interests in the Collateral. Nothing in this clause (b) of Section 7.11 shall prevent the Borrower from electing to join a Subsidiary to this Agreement as a Guarantor in accordance with the final proviso in Section 6.03 and Section 7.01(b).

## **Article VIII. EVENTS OF DEFAULT**

**Section 8.01 Events of Default.** If any one or more of the following conditions or events occur and is continuing:

(a) Failure to Make Payments When Due. The Borrower shall fail to pay (i) any principal of any Loan when the same becomes due and payable; or (ii) the Borrower shall fail to pay any interest on any Loan or make any other payment of fees or other amounts payable under this Agreement or any Note within five days after the same becomes due and payable; or

(b) Breach of Representations, Etc. Any representation or warranty made by any Loan Party herein or by any Loan Party (or any of its officers) in any certificate, document, financial or other statements in connection with this Agreement shall prove to have been incorrect in any material respect when made; or

(c) Breach of Certain Covenants. (i) Any Loan Party shall fail to perform or observe any term, covenant or agreement contained in Section 2.06, Section 5.04 (solely as to the existence of the Borrower), or Article VI, or (ii) any Loan Party shall fail to perform or comply with any other term or agreement contained in this Agreement on its part to be performed or observed if such failure shall remain unremedied for 30 days after written notice thereof shall have been given to the Borrower by the Administrative Agent or the Required Lenders; or

(d) Default Under Other Agreements. The Borrower or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any Material Indebtedness (but excluding Indebtedness outstanding hereunder) of the Borrower or such Subsidiary (as the case may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace

period, if any, specified in the agreement or instrument relating to such Indebtedness; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Indebtedness and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, or to require the prepayment or redemption (other than by a regularly scheduled required prepayment or redemption), purchase or defeasance of such Indebtedness or that an offer to repay, redeem, purchase or defease such Indebtedness be made, in each case prior to the stated maturity thereof; provided that this Section 8.01(d) shall not apply to (i) secured Indebtedness that becomes due as a result of a disposition, transfer, condemnation, insured loss or similar event relating to the property or assets securing such Indebtedness, (ii) any customary offer to repurchase provisions upon an asset sale, (iii) customary debt and equity proceeds prepayment requirements contained in any bridge or other interim credit facility, (iv) Indebtedness of any Person assumed in connection with the acquisition of such Person to the extent that such Indebtedness is repaid as required by the terms thereof as a result of the acquisition of such Person or (v) the redemption of any Indebtedness incurred to finance an acquisition pursuant to any special mandatory redemption feature that is triggered as a result of the failure of such acquisition to occur; or

(e) Insolvency; Bankruptcy. Any Loan Party or Material Company shall generally not pay its Indebtedness as such Indebtedness become due, or shall admit in writing its inability to pay its Indebtedness generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against such Loan Party or Material Company seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, suspension of payments, a moratorium of any Indebtedness, dissolution, administration, provisional supervision, reorganization, arrangement, adjustment, protection, relief, or composition of it or its Indebtedness under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or any Loan Party or Material Company shall take any corporate action to authorize any of the actions set forth above in this subsection (e); or

(f) Judgments and Attachments. Judgments or orders for the payment of money in excess of \$150,000,000 in the aggregate shall be rendered against the Borrower or any of its Subsidiaries by a court of competent jurisdiction and such judgment or order for payment is not satisfied, discharged, vacated, bonded or stayed pending appeal within a period of 60 consecutive days; or

(g) Non-Monetary Judgments. Any non-monetary judgment or order shall be rendered against the Borrower or any of its Subsidiaries by a court of competent jurisdiction that could be reasonably expected to have a Material Adverse Effect, and such judgment or order is not satisfied, discharged, vacated, bonded or stayed pending appeal within a period of 60 consecutive days; or

(h) Change of Control. A Change of Control occurs; or

(i) Employee Benefit Plans. There shall occur one or more ERISA Events which, individually or in the aggregate, results in or would reasonably be expected to result in a Material Adverse Effect;

(j) Invalidation of this Agreement. Any provision of this Agreement shall for any reason cease to be valid and binding on or enforceable against the Borrower or other Loan Party or the Borrower or other Loan Party shall so state in writing; or

(k) Invalidation of Security Documents. During any Springing Lien Period, any Security Document ceases to be in full force and effect (other than by reason of release of Collateral in accordance with the terms hereof or thereof) or shall become null and void or the collateral agent named therein shall cease to have a valid and perfected Lien in any Collateral purported to be covered by the Security Document with the priority required thereby, in each case, for any reason other than the failure of the collateral agent named therein to take any action within its control; provided that this clause shall not apply to any Security Document the invalidity of which would not reasonably be considered prejudicial to the interests of the Guaranteed Parties taken as a whole;

**THEN**, (1) upon the occurrence of any Event of Default described in Section 8.01(e), automatically, and (2) upon the occurrence and during the continuance of any other Event of Default, at the request of (or with the consent of) the Required Lenders, (A) the Revolving Commitments, if any, of each Lender having such Revolving Commitments shall immediately terminate; (B) each of the following shall immediately become due and payable, in each case without presentment, demand, protest or other requirements of any kind, all of which are hereby expressly waived by each Loan Party: (i) the unpaid principal amount of and accrued interest on the Loans, (ii) [reserved] and (iii) all other Obligations under the Loan Documents; (C) the Administrative Agent may cause the enforcement of any and all Liens and security interests created pursuant to any Security Documents and (D) the Administrative Agent may exercise on behalf of themselves, the Lenders and the other Guaranteed Parties all rights and remedies available to the Administrative Agent and the Guaranteed Parties under the Loan Documents or under applicable law or in equity.

## **Article IX. AGENTS**

**Section 9.01 Appointment of Agents**. Citi is hereby appointed as Syndication Agent hereunder, and each Lender hereby authorizes Citi to act as the Syndication Agent in accordance with the terms hereof and the other Loan Documents. Barclays is hereby appointed as the Administrative Agent and, during any Springing Lien Period, Collateral Agent (in such capacity, the "Collateral Agent") hereunder and under the other Loan Documents and each Lender hereby authorizes Barclays to act as the Administrative Agent and the Collateral Agent in accordance with the terms hereof and the other Loan Documents. BofA is hereby appointed as the Documentation Agent hereunder, together with JPMorgan, RBC, Truist, Citizens Bank, MUFG Bank, US Bank and Wells Fargo Bank and each Lender hereby authorizes BofA, JPMorgan, RBC, Truist, Citizens Bank, MUFG Bank, US Bank and Wells Fargo Bank to act as the Documentation Agents in accordance with the terms hereof and the other Loan Documents. Each

Agent hereby agrees to act in its capacity as such upon the express conditions contained herein and the other Loan Documents, as applicable. The provisions of this Article IX (other than as expressly provided herein) are solely for the benefit of the Agents and the Lenders and no Loan Party shall have any rights as a third party beneficiary of any of the provisions of this Article IX (other than as expressly provided herein). In performing its functions and duties hereunder, each Agent shall act solely as an agent of the Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for any Group Member. The Syndication Agent and the Documentation Agents, without consent of or notice to any party hereto, may assign any and all of its rights or obligations hereunder to any of its Affiliates. Notwithstanding any other provision of this Agreement or any provision of any other Loan Document, each of the Arrangers, the Bookrunners, the Syndication Agent and the Documentation Agents are named as such for recognition purposes only, and in their respective capacities as such shall have no duties, responsibilities or liabilities with respect to this Agreement or any other Loan Document; it being understood and agreed that each of the Arrangers, the Bookrunners, the Syndication Agent and the Documentation Agents shall be entitled to all indemnification and reimbursement rights in favor of the Agents provided herein and in the other Loan Documents and all of the other benefits of this Article IX

**Section 9.02 Powers and Duties.** Each Lender irrevocably authorizes each Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Loan Documents as are specifically delegated or granted to such Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. In the event that any obligations (other than the Obligations) are permitted to be incurred hereunder and secured by Liens permitted to be incurred hereunder on all or a portion of the Collateral, each Lender authorizes the Administrative Agent and the Collateral Agent to enter into intercreditor agreements, subordination agreements and amendments to the Security Documents to reflect such arrangements on terms acceptable to the Administrative Agent and Collateral Agent (each, an "Intercreditor Agreement"). Each Agent shall have only those duties and responsibilities that are expressly specified herein and the other Loan Documents. Each Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. No Agent shall have, by reason hereof or any of the other Loan Documents, a fiduciary relationship or other implied duties in respect of any Lender, any Loan Party or any other Person; and nothing herein or any of the other Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon any Agent any obligations in respect hereof or any of the other Loan Documents except as expressly set forth herein or therein. Without limiting the generality of the foregoing sentence, the use of the term "agent" in this Agreement and in the other Loan Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under the agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

**Section 9.03 General Immunity.**

(a) No Responsibility for Certain Matters. No Agent shall be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Loan Document, or for the creation, perfection or priority of any

Lien, or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by any Agent to the Lenders or by or on behalf of any Loan Party or to any Agent or Lender in connection with the Loan Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Loan Party or any other Person liable for the payment of any Obligations, nor shall any Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Loan Documents or as to the use of the proceeds of the Loans or as to the existence or possible existence of any Event of Default or Default or as to the value or sufficiency of any Collateral or as to the satisfaction of any condition set forth in Article III or elsewhere herein (other than confirm receipt of items expressly required to be delivered to such Agent) or to inspect the properties, books or records of any Group Member or to make any disclosures with respect to the foregoing. Anything contained herein to the contrary notwithstanding, the Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Loans.

(b) Exculpatory Provisions. No Agent nor any of its officers, partners, directors, employees or agents shall be liable to the Lenders (i) for any action taken or omitted by any Agent (A) under or in connection with any of the Loan Documents or (B) with the consent or at the request of the Required Lenders (or, if so specified by this Agreement, all Lenders or any other instructing group of Lenders specified by this Agreement) except to the extent caused by such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction or (ii) for any failure of any Loan Party to perform its obligations under this Agreement or any other Loan Document. No Agent shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose or be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by such Agent or any of its Affiliates in any capacity. Each Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Loan Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until such Agent shall have received instructions in respect thereof from Required Lenders (or such other Lenders as may be required to give such instructions under Section 10.05) and, upon receipt of such instructions from Required Lenders (or such other Lenders, as the case may be), such Agent shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions and shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable law. Without prejudice to the generality of the foregoing, (i) each Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for a Group Member), accountants, experts and other professional advisors selected by it; and (ii) no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or (where so instructed) refraining from acting hereunder or any of the other Loan Documents in accordance with the instructions of Required Lenders (or such other Lenders as may be required to give such instructions under Section 10.05).

(c) Delegation of Duties. Each of the Administrative Agent and the Collateral Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Loan Document by or through any one or more sub-agents appointed by it. Each of the Administrative Agent, the Collateral Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of this Section 9.03 and of Section 9.06 shall apply to any of the Affiliates of the Administrative Agent or the Collateral 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 the Administrative Agent or Collateral Agent, as applicable. All of the rights, benefits, and privileges (including the exculpatory and indemnification provisions) of this Section 9.03 and of Section 9.06 shall apply to any such sub-agent and to the Affiliates of any such sub-agent, and shall apply to their respective activities as sub-agent as if such sub-agent and Affiliates were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by the Administrative Agent or the Collateral Agent, (i) such sub-agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory rights and rights to indemnification) and shall have all of the rights and benefits of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of Loan Parties and the Lenders, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent, and (iii) such sub-agent shall only have obligations to the Administrative Agent and not to any Loan Party, Lender or any other Person and no Loan Party, Lender or any other Person shall have any rights, directly or indirectly, as a third party beneficiary or otherwise, against such sub-agent; provided, that the Administrative Agent and Collateral Agent shall be responsible for all acts of each of their respective sub-agents, and each Loan Party, Guaranteed Party and other Person shall have the same rights against the Administrative Agent or Collateral Agent, as applicable, as if the Administrative Agent or Collateral Agent, as applicable, had performed the duties and exercised the rights and powers under this Agreement or any other Loan Document that its sub-agent performed or exercised.

(d) Notice of Default or Event of Default. No Agent shall be deemed to have knowledge of any Default or Event of Default unless and until written notice describing such Default or Event of Default is given to such Agent by a Loan Party or a Lender. In the event that the Administrative Agent shall receive such a notice, the Administrative Agent shall give notice thereof to the Lenders, provided that failure to give such notice shall not result in any liability on the part of the Administrative Agent.

**Section 9.04 Agents Entitled to Act as Lender**. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. With respect to its participation in the Loans, each Agent shall have the same rights and powers hereunder in its capacity as a Lender as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term "Lender" shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity. Any Agent and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of

banking, trust, financial advisory or other business with the Borrower or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from the Borrower for services in connection herewith and otherwise without having to account for the same to Lenders. The Lenders acknowledge that pursuant to such activities, the Agents or their Affiliates may receive information regarding any Loan Party or any Affiliate of any Loan Party (including information that may be subject to confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that the Agents and their Affiliates shall be under no obligation to provide such information to them.

**Section 9.05 Lenders' Representations, Warranties and Acknowledgment.**

(a) Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of the Group in connection with Credit Extensions hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of the Group. No Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter, and no Agent shall have any responsibility with respect to the accuracy of or the completeness of any information provided to Lenders.

(b) Each Lender, by delivering its signature page hereto or an Assignment Agreement and funding its Revolving Loans shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be approved by any Agent, Required Lenders or Lenders, as applicable on the Closing Date or as of the date of funding of such Loans.

**Section 9.06 Right to Indemnity.** Each Lender, in proportion to its Pro Rata Share, severally agrees to indemnify each Agent to the extent that such Agent shall not have been reimbursed by any Loan Party (and without limiting its obligation to do so), for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Agent in exercising its powers, rights and remedies or performing its duties hereunder or under the other Loan Documents or otherwise in its capacity as Agent in any way relating to or arising out of this Agreement or the other Loan Documents; provided, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided, that in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's Pro Rata Share thereof; and provided, further, that this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability,



obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

#### **Section 9.07 Successor Agents.**

(a) The Administrative Agent shall have the right to resign at any time by giving prior written notice thereof to the Lenders and the Borrower. The Administrative Agent shall have the right to appoint a financial institution to act as the Administrative Agent and/or the Collateral Agent hereunder, subject to the reasonable satisfaction of the Borrower and the Required Lenders, and the Administrative Agent's resignation shall become effective on the earlier of (i) the acceptance of such successor Administrative Agent by the Borrower and the Required Lenders or (ii) the thirtieth day after such notice of resignation. Upon any such notice of resignation, if a successor Administrative Agent has not already been appointed by the retiring Administrative Agent, Required Lenders shall have the right, upon five Business Days' notice to the Borrower, to appoint a successor Administrative Agent. If neither Required Lenders nor the Administrative Agent have appointed a successor Administrative Agent, then the Required Lenders shall be deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; provided, that until a successor Administrative Agent is so appointed by Required Lenders or the Administrative Agent, the Administrative Agent, by notice to the Borrower and Required Lenders, may retain its role as the Collateral Agent under any Security Document. Except as provided in the preceding sentence, any resignation of Barclays or its successor as the Administrative Agent pursuant to this Section 9.07 shall also constitute the resignation of Barclays or its successor as the Collateral Agent. After any retiring Administrative Agent's resignation hereunder as the Administrative Agent, the provisions of this Section 9.07 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent hereunder. Upon the acceptance of any appointment as the Administrative Agent hereunder by a successor Administrative Agent, that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent and the retiring Administrative Agent shall promptly (i) transfer to such successor Administrative Agent all sums and items of Collateral held under the Security Documents (if any), together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Administrative Agent under the Loan Documents, and (ii) execute and deliver to such successor Administrative Agent such amendments to financing statements (if any), and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Administrative Agent of the security interests created under the Security Documents (if any), whereupon such retiring Administrative Agent shall be discharged from its duties and obligations hereunder. If the Administrative Agent is retaining its role as Collateral Agent, the actions enumerated in the preceding sentence will be modified to account for such retained role. Any successor Administrative Agent appointed pursuant to this Section 9.07 shall, upon its acceptance of such appointment, become the successor Collateral Agent for all purposes hereunder. If Barclays or its successor as the Administrative Agent pursuant to this Section 9.07 has resigned as the Administrative Agent but retained its role as the Collateral Agent and no successor Collateral Agent has become the Collateral Agent pursuant to the immediately preceding sentence, Barclays or its successor may resign as the Collateral Agent upon notice to the Borrower and Required Lenders at any time.

(b) In addition to the foregoing, the Collateral Agent may resign at any time by giving 30 days' prior written notice thereof to Lenders and the Loan Parties. The Administrative Agent shall have the right to appoint a financial institution as the Collateral Agent hereunder, subject to the reasonable satisfaction of the Borrower and the Required Lenders and the Collateral Agent's resignation shall become effective on the earlier of (i) the acceptance of such successor Collateral Agent by the Borrower and the Required Lenders or (ii) the thirtieth day after such notice of resignation. Upon any such notice of resignation, if a successor Collateral Agent has not already been appointed by the retiring Collateral Agent, Required Lenders shall have the right, upon five Business Days' notice to the Administrative Agent, to appoint a successor Collateral Agent. Upon the acceptance of any appointment as the Collateral Agent hereunder by a successor Collateral Agent, the successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Collateral Agent under this Agreement and the Security Documents, and the retiring Collateral Agent under this Agreement shall promptly (i) transfer to such successor Collateral Agent all sums and items of Collateral held hereunder or under the Security Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Collateral Agent under this Agreement and the Security Documents, and (ii) execute and deliver to such successor Collateral Agent or otherwise authorize the filing of such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Collateral Agent of the security interests created under the Security Documents, whereupon such retiring Collateral Agent shall be discharged from its duties and obligations under this Agreement and the Security Documents. After any retiring Collateral Agent's resignation hereunder as the Collateral Agent, the provisions of this Agreement and the Security Documents shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement or the Security Documents while it was the Collateral Agent hereunder.

#### **Section 9.08 Security Documents and Guaranty.**

(a) Agents under Security Documents and Guaranty. Each Guaranteed Party hereby further authorizes the Administrative Agent or the Collateral Agent, as applicable, on behalf of and for the benefit of Guaranteed Parties, to be the agent for and representative of Guaranteed Parties with respect to the Guaranty and, if applicable, the Collateral and the Security Documents; provided, that, except as expressly set forth herein, neither the Administrative Agent nor the Collateral Agent shall owe any fiduciary duty, duty of loyalty, duty of care, duty of disclosure or any other obligation whatsoever to any holder of Obligations. Subject to Section 10.05, without further written consent or authorization from any Guaranteed Party, the Administrative Agent or the Collateral Agent, as applicable may execute any documents or instruments necessary (i) in connection with a sale or disposition of assets permitted by this Agreement, to release any Lien encumbering any item of Collateral that is the subject of such sale or other disposition of assets or to which Required Lenders (or such other Lenders as may be required to give such consent under Section 10.05) have otherwise consented or (ii) to release any Guarantor from the Guaranty pursuant to Section 7.11 or with respect to which Required Lenders (or such other Lenders as may be required to give such consent under Section 10.05) have otherwise consented.

(b) Right to Realize on Collateral and Enforce Guaranty. Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrower, the Administrative Agent, the Collateral Agent and each Guaranteed Party hereby agree that (i) no Guaranteed Party shall have any right individually to realize upon any of the Collateral or to enforce the Guaranty, it being understood and agreed that all powers, rights and remedies hereunder may be exercised solely by the Administrative Agent, on behalf of the Guaranteed Parties in accordance with the terms hereof and all powers, rights and remedies under the Security Documents may be exercised solely by the Collateral Agent and (ii) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Collateral Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of Guaranteed Parties (but not any Lender or Lenders in its or their respective individual capacities unless Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition.

(c) [Reserved].

(d) Release of Collateral and Guarantee, Termination of Loan Documents.

(i) Notwithstanding anything to the contrary contained herein or any other Loan Document, when all Obligations under the Loan Documents have been Paid in Full, this Agreement and all other Loan Documents, all guarantee obligations provided for in any Loan Document and all security interests granted pursuant to any Loan Document shall automatically terminate, and upon request of the Borrower, the Administrative Agent and the Collateral Agent shall (without notice to, or vote or consent of, any Lender) take such actions as shall be reasonably requested to evidence the release of their security interest in all Collateral and to evidence the release of all guarantee obligations provided for in any Loan Document. Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations under the Loan Documents guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation, examinership, receivership, administration, provisional supervision or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor, liquidator, administrator, provisional supervisor, examiner or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

(ii) Upon any disposition of property permitted by this Agreement, any security interest in such property provided for in any Security Document shall be deemed to be automatically released and such property shall automatically revert to the applicable Loan Party with no further action on the part of any Person. The Collateral Agent shall, at the applicable Loan Party's expense, execute and deliver or otherwise authorize the filing of such documents as such Loan Party shall reasonably request, in

form and substance reasonably satisfactory to the Collateral Agent, including financing statement amendments to evidence such release.

(iii) Notwithstanding anything to the contrary contained in any Security Document or any other Loan Document, in the event that the Collateral Agent exercises any of its rights or remedies under the Loan Documents with respect to Collateral that is the subject of a Trademark (as defined in the Pledge and Security Agreement) license agreement entered into by the Borrower or any of its Subsidiaries, the Lenders hereby agree that the Collateral Agent shall, and the Collateral Agent hereby agrees that it shall, exercise such rights and remedies subject to the obligation to pay royalties and the restrictions on the marketing, sale and distribution of such goods, in each case, that are contained in the applicable licensing agreement; provided that such restrictions are in the nature of customary restrictions intended to preserve the rights of the applicable licensors in the licensed Intellectual Property, preserve the prestige, image and goodwill of the licensed Intellectual Property and the licensor and/or avoid the infringement of the rights of any third party, including, without limitation, any other licensee of the applicable licensor. At the request of the Borrower or any of its Subsidiaries from time to time, the Lenders hereby agree that the Collateral Agent shall be authorized to, and the Collateral Agent hereby agrees that it shall, execute and deliver to the Borrower acknowledgments of the Lenders' and the Collateral Agent's agreements pursuant to the foregoing sentence, for the benefit of the applicable licensor.

(iv) Each Lender hereto agrees that upon the occurrence of the Springing Lien Trigger Event, the Administrative Agent is authorized to enter into the Pledge and Security Agreement and any related Security Documents in such form as is acceptable to the Administrative Agent and no further consent of such Lender shall be required.

**Section 9.09 Withholding Taxes.** To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If any payment has been made to any Lender by the Administrative Agent without the applicable withholding Tax being withheld from such payment and the Administrative Agent has paid over the applicable withholding Tax to the IRS or any other Governmental Authority, or the IRS or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify the Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, such Lender shall severally indemnify the Administrative Agent (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so) fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including any penalties or interest and together with all expenses incurred 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; provided, that nothing in this Section 9.09 shall impose any obligation on any Loan Party. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due the Administrative

Agent under this Section 9.09. The agreements in this Section 9.09 shall survive the resignation or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

**Section 9.10 Administrative Agent May File Proofs of Claim.** In case of the pendency of any proceeding under the Bankruptcy Code or other applicable law or any other judicial proceeding relative to the Borrower, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) 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 and all other Obligations under the Loan Documents that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the other Guaranteed Parties (including fees, disbursements and other expenses of counsel) 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. Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and other Guaranteed Party to make such payments to the Administrative Agent. 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 other Guaranteed Party any plan of reorganization, arrangement, adjustment or composition affecting the Obligations under the Loan Documents or the rights of any Lender or other Guaranteed Party to authorize the Administrative Agent to vote in respect of the claim of such Person or in any such proceeding.

**Section 9.11 Administrative Agent's "Know Your Customer" Requirements.** Each Lender shall promptly, upon the request of the Administrative Agent, provide such documentation and other evidence as is reasonably requested by the Administrative Agent (for itself) in order for the Administrative Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Loan Documents.

**Section 9.12 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 the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments or this Agreement,

(ii) the prohibited 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 so as to exempt from the prohibitions of Section 406 of ERISA and Section 4975 of the Code such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-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 sub-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, 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 the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that none of the Administrative Agent or the Arrangers or any of their respective Affiliates is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

### **Section 9.13 Erroneous Payments**

(a) Each Lender hereby agrees that (x) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender (whether or not known

to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on “discharge for value” or any similar doctrine. A notice of the Administrative Agent to any Lender under this Section 9.13 shall be conclusive, absent manifest error.

(b) Each Lender hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a “Payment Notice”) or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) The Borrower and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) is not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender under this Agreement or any Loan Document with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party under this Agreement or any other Loan Document.

(d) Each party’s obligations under this Section 9.13 shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

**Article X.**  
**MISCELLANEOUS**

**Section 10.01 Notices.**

(a) Notices Generally. Any notice or other communication herein required or permitted to be given to a Loan Party, the Collateral Agent or the Administrative Agent shall be sent to such Person's address as set forth on Schedule 10.01(a) or in the other relevant Loan Document, and in the case of any Lender, the address as indicated on Schedule 10.01(a) or otherwise indicated to the Administrative Agent in writing. Except as otherwise set forth in Section 10.01(b) below, each notice hereunder shall be in writing and may be personally served or sent by telefacsimile or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, ordinary or registered post, or three Business Days after depositing it in the ordinary or prepaid post or United States mail with postage prepaid and properly addressed; provided, that no notice to any Agent shall be effective until received by such Agent; provided, further, that any such notice or other communication shall at the request of the Administrative Agent be provided to any sub-agent appointed pursuant to Section 9.03(c) hereto as designated by the Administrative Agent from time to time.

(b) Electronic Communications.

(i) Notices and other communications to the Administrative Agent, the Collateral Agent and the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites, including the Platform) pursuant to procedures approved by the Administrative Agent, the Collateral Agent and each Lender, as applicable; provided, that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, each other Agent and the Borrower hereby agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided, that any Borrowing Notice or notice of an Event of Default shall be promptly confirmed by facsimile. 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); provided, that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient and (ii) notices or communications posted to an internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(ii) Each Loan Party understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other



risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution, except to the extent caused by the willful misconduct or gross negligence of the Administrative Agent, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(iii) The Platform and any Approved Electronic Communications are provided “as is” and “as available”. None of the Agents nor any of their respective officers, directors, employees, agents, advisors or representatives (the “Agent Affiliates”) warrant the accuracy, adequacy, or completeness of the Approved Electronic Communications or the Platform and each expressly disclaims liability for errors or omissions in the Platform and the Approved Electronic Communications. 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 the Agent Affiliates in connection with the Platform or the Approved Electronic Communications. Each party hereto agrees that no Agent has any responsibility for maintaining or providing any equipment, software, services or any testing required in connection with any Approved Electronic Communication or otherwise required for the Platform. In no event shall any Agent nor any of the Agent Affiliates have any liability to any Loan Party, any Lender or any other Person for damages of any kind, whether or not based on strict liability and including (A) direct damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Loan Party’s or any Agent’s transmission of communications through the internet, except to the extent the liability of any such Person if found in a final ruling by a court of competent jurisdiction to have resulted from such Person’s gross negligence or willful misconduct or (B) indirect, special, incidental or consequential damages.

(iv) Each Loan Party, each Lender and each Agent agrees that the Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with the Administrative Agent’s customary document retention procedures and policies.

(v) All uses of the Platform shall be governed by and subject to, in addition to this Section 10.01, separate terms and conditions posted or referenced in such Platform and related agreements executed by the Lenders and their Affiliates in connection with the use of such Platform.

(c) Change of Address. Any party hereto may change its address or telecopy number for notices and other communications hereunder by written notice to the other parties hereto.

**Section 10.02 Expenses.** Whether or not the transactions contemplated hereby are consummated, the Borrower agrees to pay promptly (a) all the actual and reasonable out-of-pocket costs and expenses incurred by the Agents and the Arrangers in connection with the negotiation, preparation and execution of the Loan Documents and any consents, amendments, supplements, waivers or other modifications thereto; (b) the reasonable fees, expenses and disbursements of counsel to the Agents (in each case including allocated costs of internal counsel) in connection with the negotiation, preparation, execution and administration of the Loan Documents and any consents, amendments, supplements, waivers or other modifications

thereto and any other documents or matters requested by the Borrower; provided that reasonable attorney's fees shall be limited to one primary counsel and, if reasonably required by the Administrative Agent, one local counsel per jurisdiction and one specialist counsel per specialty, provided, further, that no such limitation shall apply if counsel for the Administrative Agent determines in good faith that there is a conflict of interest that requires separate representation for any Agent or Lender; (c) all the actual costs and reasonable out-of-pocket expenses of creating, perfecting, recording, maintaining and preserving Liens in favor of the Collateral Agent, for the benefit of Guaranteed Parties, including filing and recording fees, expenses and Taxes, stamp or documentary Taxes, search fees, title insurance premiums and reasonable fees, expenses and disbursements of counsel to the Collateral Agent and the Administrative Agent; (d) all the actual costs and reasonable out-of-pocket expenses (including the reasonable fees, expenses and disbursements of any appraisers, consultants, advisors and agents employed or retained by the Collateral Agent and its counsel) in connection with the custody or preservation of any of the Collateral; (e) all other actual costs and reasonable out-of-pocket expenses incurred by each Agent in connection with the syndication of the Loans and Commitments and the transactions contemplated by the Loan Documents and any consents, amendments, supplements, waivers or other modifications thereto; and (f) all actual costs and reasonable out-of-pocket expenses, including reasonable attorneys' fees (including allocated costs of internal counsel) and costs of settlement, incurred by any Agent or any Lender in enforcing any Obligations under the Loan Documents of or in collecting any payments due from any Loan Party hereunder or under the other Loan Documents (including in connection with the sale, lease or license of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty) or in connection with any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work-out" or pursuant to any insolvency or bankruptcy cases or proceedings. All amounts due under this Section 10.02 shall be due and payable promptly after demand therefor.

### **Section 10.03 Indemnity.**

(a) In addition to the payment of expenses pursuant to Section 10.02, whether or not the transactions contemplated hereby are consummated, each Loan Party agrees to defend (subject to Indemnitees' rights to selection of counsel), indemnify, pay and hold harmless, each Agent, Arranger, Bookrunner, any other agent or co-agent (if any) designated by the Bookrunners with respect to the credit facilities hereunder, and each Lender and the officers, partners, members, directors, trustees, shareholders, advisors, employees, representatives, attorneys, controlling persons, agents and Affiliates of each Agent, Arranger, Bookrunner, other agent or co-agent (if any) designated by the Bookrunners with respect to the credit facilities hereunder and each Lender (each, an "Indemnitee"), from and against any and all Indemnified Liabilities; provided, that no Loan Party shall have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities (a) arise from (i) the gross negligence or willful misconduct of such Indemnitee or any of such Indemnitee's Affiliates or any of its or their respective partners, trustees, shareholders, officers, directors, employees, advisors, representatives, agents, attorneys, controlling persons or members or (ii) a material breach of such Indemnitee's (or any of its Affiliates' or any of its or their respective partners', trustees', shareholders', officers', directors', employees', advisors', representatives', agents', attorneys', controlling persons' and members') obligations under the Loan Documents, in each case, as determined by a final, non-appealable judgment of a court of

competent jurisdiction, (b) arise out of any dispute among Indemnitees (other than a dispute involving claims against the Administrative Agent, the Collateral Agent, an Arranger or a Bookrunner, in each case in their respective capacities as such) that did not involve actions or omissions of the Loan Parties or their Affiliates or (c) arise in connection with any settlement entered into by such Indemnitee without the prior written consent (such consent not to be unreasonably withheld, conditioned or delayed) of the Loan Parties (provided, however, that the foregoing indemnity will apply to any such settlement in the event the Loan Parties were offered the ability to assume the defense of the action that was the subject matter of such settlement and elected not to assume the defense); provided, further, that in connection therewith, the Loan Parties shall only be responsible for the fees, charges and disbursements of a single counsel selected by the Administrative Agent for all Indemnitees and of such special and local counsel as the Administrative Agent may deem appropriate in its good faith discretion, except that if any Indemnitee reasonably concludes that its interests conflict or are reasonably likely to conflict with those of other Indemnitees and notifies the Loan Parties of such conflict, the Loan Parties shall also be responsible for the fees, charges and disbursements of one separate counsel for such conflicted Indemnitees. To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this Section 10.03 may be unenforceable in whole or in part because they are violative of any law or public policy, the applicable Loan Party shall to the extent permitted by law contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them. For the avoidance of doubt, this Section 10.03 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) To the extent permitted by applicable law, no Loan Party or Indemnitee shall be responsible or liable to any Person for any special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) alleged as arising out of, in connection with, as a result of or in any way related to this Agreement or any Loan Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, the transmission of information through the Internet, any Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith; provided that the foregoing does not otherwise modify the obligations of the Loan Parties set forth in this Section 10.03. Each Loan Party and each Indemnitee, as applicable, hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(c) All amounts due under this Section 10.03 shall be due and payable within five days after demand therefor.

**Section 10.04 Set-Off.** In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence and during the continuation of any Event of Default each Lender is hereby authorized by each Loan Party at any time or from time to time to the fullest extent permitted by law and subject to the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), without notice to any Loan Party or to any other Person (other than the Administrative Agent), any such notice being hereby expressly waived to the fullest extent permitted by applicable law, to set-off and to appropriate and to apply any and all deposits (time or demand, provisional or final,

general or special, including Indebtedness evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts) and any other Indebtedness at any time held or owing by such Lender to or for the credit or the account of any Loan Party against and on account of the obligations and liabilities of any Loan Party to such Lender hereunder and under the other Loan Documents, including all claims of any nature or description arising out of or connected hereto, or with any other Loan Document, irrespective of whether or not (i) such Lender shall have made any demand hereunder or (ii) such obligations and liabilities, or any of them, may be contingent or unmatured.

#### **Section 10.05 Amendments and Waivers.**

(a) Required Lenders' Consent. Subject to the additional requirements of Sections 10.05(b) and 10.05(c), and in each case, except as set forth in Section 2.22 and the last paragraph of Section 6.04, no amendment, supplement, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by any Loan Party therefrom, shall in any event be effective without the written concurrence of the Required Lenders and the Borrower (it being understood that delivery of an executed counterpart of a signature page to the applicable amendment, supplement, modification, termination or waiver by facsimile or other electronic transmission will be effective as delivery of an original executed counterpart thereof); provided that (x) any Defaulting Lender shall be deemed not to be a "Lender" for purposes of calculating the Required Lenders (including the granting of any consents or waivers) with respect to any of the Loan Documents and (y) the Administrative Agent and the Borrower may amend, modify or supplement this Agreement to cure any error (including, but not limited to, typographical error, incorrect cross-reference or incorrectly-named defined term), defect, ambiguity, inconsistency or any other error or omission of a technical nature, and such amendment, modification or supplement shall become effective without any further action or consent of any other Lender if the same is not objected to in writing by the Required Lenders to the Administrative Agent within 10 Business Days following receipt of notice thereof.

(b) Affected Lenders' Consent. Except as set forth in Section 2.22 and the last paragraph of Section 6.04, without the written consent of each Lender (other than a Defaulting Lender) that would be directly and adversely affected thereby, no amendment, supplement, modification, termination, or consent shall be effective if the effect thereof would:

- (i) extend the scheduled final maturity of any Loan or Note;
- (ii) waive, reduce or postpone any scheduled repayment (but not prepayment) of principal;
- (iii) [reserved];

(iv) reduce the rate of interest on any Loan (other than any waiver of any increase in the interest rate applicable to any Loan pursuant to Section 2.10) or any fee or any premium payable hereunder (it being understood that any change to the definition of Public Debt Rating or Net Leverage Ratio, or, in each case, in the component definitions thereof, shall not constitute a reduction in the rate of interest); provided, further, that only the consent of the Required Lenders shall be necessary to amend the

Default Rate in Section 2.10 or to waive any obligation of the Borrower to pay interest at the Default Rate;

(v) waive or extend the time for payment of any such interest, fees or premiums, it being understood that only the consent of the Required Lenders shall be necessary to rescind an acceleration of Obligations under the Loan Documents after acceleration thereof pursuant to Section 8.01 hereof;

(vi) reduce or forgive the principal amount of any Loan;

(vii) amend, modify, terminate or waive any provision of Section 2.15 (except to the extent provided for in Section 10.05(c)(iii)), Section 2.16(c), Section 2.17, this Section 10.05(b), Section 10.05(c) or any other provision of this Agreement that expressly provides that the consent of all Lenders (or all Lenders in a particular facility) is required;

(viii) consent to the assignment or transfer by any Loan Party of any of its rights and obligations under any Loan Document except as expressly provided in any Loan Document;

(ix) amend the definition of "Required Lenders" or amend Section 10.05(a) in a manner that has the same effect as an amendment to such definition or the definition of "Pro Rata Share";

(x) release all or substantially all of the Collateral or all or substantially all of the Guarantors (by value) from the Guaranty except as expressly provided in the Loan Documents or any Intercreditor Agreement;

(xi) amend or modify any provision of Section 10.06 in a manner that further restricts assignments thereunder;

(xii) subordinate any Liens of the Collateral Agent on all or substantially all of the Collateral; or

(xiii) change the stated currency in which the Borrower is required to make payments of principal, interest, fees or other amounts hereunder or under any other Loan Document;

provided that, for the avoidance of doubt, all Lenders shall be deemed directly and adversely affected thereby with respect to any amendment described in clauses (vii), (viii), (ix), (x) and (xi).

(c) Other Consents. Except as set forth in Section 2.22 and the last paragraph of Section 6.04, no amendment, modification, termination or waiver of any provision of the Loan Documents, or consent to any departure by any Loan Party therefrom, shall:

(i) increase any Commitment of any Lender over the amount thereof then in effect or extend the outside date for such Commitment without the consent of such Lender; provided that no amendment, modification or waiver of any condition

precedent, covenant, Default or Event of Default shall be deemed to constitute an increase in any Commitment of any Lender;

(ii) amend, modify, terminate or waive any provision of Article IX as the same applies to any Agent, or any other provision hereof as the same applies to the rights or obligations of any Agent, in each case without the consent of such Agent;

(iii) [reserved];

(iv) (i) the Commitment or Loan of any Defaulting Lender may not be increased or extended and the principal of any Loan of a Defaulting Lender may not be reduced, in each case without the consent of such Lender and (ii) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of each such Defaulting Lender.

(d) Execution of Amendments, Etc. The Administrative Agent may, but shall have no obligation to, with the concurrence of any Lender, execute amendments, supplements, modifications, waivers or consents on behalf of such Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. In the case of any waiver, subject to any conditions or qualifications set forth therein, the parties hereto shall be restored to their former positions and rights hereunder and under the other Loan Documents, and, subject to any conditions or qualifications set forth therein, any Default or Event of Default waived shall be deemed to be cured and not continuing, but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right or consequence in respect thereof. No notice to or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 10.05, Section 2.22 or the last paragraph of Section 6.04 shall be binding upon each Lender at the time outstanding, each future Lender and, if signed by a Loan Party, on such Loan Party.

#### **Section 10.06 Successors and Assigns; Participations.**

(a) Generally. This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the respective successors and assigns. Except as permitted under Section 6.02, no Loan Party's rights or obligations hereunder nor any interest therein may be assigned or delegated by any Loan Party without the prior written consent of all Lenders (and any purported assignment or delegation without such consent shall be null and void) and no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 10.06.

(b) Register. The Borrower, each Guarantor, the Administrative Agent and Lenders shall deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Commitments and Loans listed therein for all purposes hereof, and no assignment or transfer of any such Commitment or Loan shall be effective, in each case, unless and until recorded in the Register following receipt of a fully executed Assignment Agreement effecting the assignment or transfer thereof, together with the required forms and certificates

regarding Tax matters and any fees payable in connection with such assignment, in each case, as provided in Section 10.06(d). Each assignment shall be recorded in the Register promptly following receipt by the Administrative Agent of the fully executed Assignment Agreement and all other necessary documents and approvals, prompt notice thereof shall be provided to the Borrower and a copy of such Assignment Agreement shall be maintained, as applicable. The date of such recordation of a transfer shall be referred to herein as the “Assignment Effective Date.” Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is listed in the Register as a Lender shall be conclusive and binding on any subsequent holder, assignee or transferee of the corresponding Commitments or Loans.

(c) Right to Assign. Each Lender shall have the right at any time to sell, assign or transfer all or a portion of its rights and obligations under this Agreement, including all or a portion of its Commitment or Loans owing to it or other Obligations under the Loan Documents (provided, that *pro rata* assignments shall not be required and each assignment shall be of a uniform, and not varying, percentage of all rights and obligations under and in respect of any applicable Loan and any related Commitments):

(i) to any Person meeting the criteria of clause (i) of the definition of the term of “Eligible Assignee” upon the giving of notice to the Administrative Agent; and

(ii) to any Person meeting the criteria of clause (ii) of the definition of the term of “Eligible Assignee” upon giving of notice to the Borrower and the Administrative Agent and consented to by the Borrower and the Administrative Agent (each such consent not to be (x) unreasonably withheld or delayed or (y) in the case of the Borrower, required at any time an Event of Default described in Section 8.01(a) or 8.01(e) has occurred and is continuing); provided, that each such assignment pursuant to this Section 10.06(c)(ii) shall be in an aggregate amount of not less than \$5,000,000 (or such lesser amount as may be agreed to by the Borrower and the Administrative Agent or as shall constitute the aggregate amount of the Revolving Commitments and Revolving Loans of the assigning Lender) with respect to the assignment of the Revolving Commitments and Revolving Loans; provided, that the Related Funds of any individual Lender may aggregate their Loans for purposes of determining compliance with such minimum assignment amounts.

(d) Mechanics. Assignments and assumptions of Loans and Commitments by Lenders shall be effected by manual execution and delivery to the Administrative Agent of an Assignment Agreement. Assignments made pursuant to the foregoing provision shall be effective as of the Assignment Effective Date. In connection with all assignments there shall be delivered to the Administrative Agent such forms, certificates or other evidence, if any, with respect to United States federal income Tax withholding matters as the assignee under such Assignment Agreement may be required to deliver pursuant to Section 2.20(c), together with payment to the Administrative Agent of a registration and processing fee of \$3,500 (except that no such registration and processing fee shall be payable (x) in connection with an assignment elected or caused by the Borrower pursuant to Section 2.23, (y) in connection with an assignment by or to Barclays or any Affiliate thereof or (z) in the case of an assignee which is already a

Lender or is an Affiliate or Related Fund of a Lender or a Person under common management with a Lender).

(e) Representations and Warranties of Assignee. Each Lender, upon execution and delivery hereof or upon obtaining or succeeding to an interest in the Commitments and Loans, as the case may be, represents and warrants as of the Closing Date that (i) it is an Eligible Assignee; (ii) it has experience and expertise in the making of or investing in commitments or loans such as the applicable Commitments or Loans, as the case may be; and (iii) it shall make or invest in, as the case may be, its Commitments or Loans for its own account in the ordinary course and without a view to distribution of such Commitments or Loans within the meaning of the Securities Act or the Exchange Act or other federal securities laws (it being understood that, subject to the provisions of this Section 10.06, the disposition of such Commitments or Loans or any interests therein shall at all times remain within its exclusive control).

(f) Effect of Assignment. Subject to the terms and conditions of this Section 10.06, as of the “Assignment Effective Date” (i) the assignee thereunder shall have the rights and obligations of a “Lender” hereunder to the extent of its interest in the Loans and Commitments as reflected in the Register and shall thereafter be a party hereto and a “Lender” for all purposes hereof; (ii) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned to the assignee, relinquish its rights (other than any rights which survive the termination hereof, including under Section 10.08) and be released from its obligations hereunder (and, in the case of an assignment covering all or the remaining portion of an assigning Lender’s rights and obligations hereunder, such Lender shall cease to be a party hereto on the Assignment Effective Date; provided, that anything contained in any of the Loan Documents to the contrary notwithstanding, such assigning Lender shall continue to be entitled to the benefit of all indemnities hereunder as specified herein with respect to matters arising out of the prior involvement of such assigning Lender as a Lender hereunder); (iii) the Commitments shall be modified to reflect any Commitment of such assignee and any Revolving Commitment of such assigning Lender, if any; and (iv) if any such assignment occurs after the issuance of any Note hereunder, the assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its applicable Notes to the Administrative Agent for cancellation, and thereupon the Borrower shall issue and deliver new Notes, if so requested by the assignee and/or assigning Lender, to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new Revolving Commitments and/or outstanding Loans of the assignee and/or the assigning Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with the requirements of this Section 10.06 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 Section 10.06(g). Any assignment by a Lender pursuant to this Section 10.06 shall not in any way constitute or be deemed to constitute a novation, discharge, rescission, extinguishment or substitution of the Indebtedness hereunder, and any Indebtedness so assigned shall continue to be the same obligation and not a new obligation.

(g) Participations.

(i) Each Lender shall have the right at any time to sell one or more participations to any Person (other than any Group Member or any of their respective



Affiliates) in all or any part of its Commitments, Loans or in any other Obligation under the Loan Documents: provided, that (A) such Lender's obligations shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower, the Administrative Agent and each of the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's agreements and obligations.

(ii) The holder of any such participation, other than an Affiliate of the Lender granting such participation, shall not be entitled to require such Lender to take or omit to take any action hereunder except with respect to any amendment, modification or waiver that would (A) extend the final scheduled maturity of any Loan or Note in which such participant is participating, or reduce the rate or extend the time of payment of interest or fees thereon (except in connection with a waiver of applicability of any post-default increase in interest rates) or reduce the principal amount thereof, or increase the amount of the participant's participation over the amount thereof then in effect (it being understood that a waiver of any Default or Event of Default or of a mandatory reduction in the Commitment shall not constitute a change in the terms of such participation, and that an increase in any Commitment or Loan shall be permitted without the consent of any participant if the participant's participation is not increased as a result thereof), (B) consent to the assignment or transfer by any Loan Party of any of its rights and obligations under this Agreement or (C) release all or substantially all of the Guarantors or the Collateral under the Security Documents (except as expressly provided in the Loan Documents) supporting the Loans hereunder in which such participant is participating.

(iii) The Borrower agrees that each participant shall be entitled to the benefits of Sections 2.18(c), 2.19 and 2.20 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.06(c); provided, that such participant agrees to be subject to Sections 2.19 and 2.20 as if it were a Lender; provided, further, that (x) a participant shall not be entitled to receive any greater payment under Section 2.19 or 2.20 than the applicable Lender would have been entitled to receive with respect to the participation sold to such participant, unless the sale of the participation to such participant is made with the Borrower's prior written consent and (y) a participant shall not be entitled to the benefits of Section 2.20 unless such participant agrees, for the benefit of the Borrower, to comply with Section 2.20 as though it were a Lender; provided, further, that, except as specifically set forth in clause (x) of this sentence, nothing herein shall require any notice to the Borrower or any other Person in connection with the sale of any participation. To the extent permitted by law, each participant also shall be entitled to the benefits of Section 10.04 as though it were a Lender; provided, that such participant agrees to be subject to Section 2.17 as though it were a Lender. A participant shall not be entitled to the benefits of Section 2.20 to the extent such participant fails to comply with Section 2.20(c).

(iv) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts of each participant's interest in the Commitments, Loans and other Obligations under the Loan Documents held by it

(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 or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations or Section 1.163-5(b) of the United States Proposed Treasury Regulations (or, in each case, any amended or successor version). 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 Commitments, Loans and other Obligations under the Loan Documents as the owner thereof for all purposes of this Agreement notwithstanding any notice to the contrary.

(h) Certain Other Assignments and Participations. In addition to any other assignment or participation permitted pursuant to this Section 10.06 any Lender may pledge (without the consent of the Borrower or the Administrative Agent) all or any portion of its Loans, the other Obligations owed by or to such Lender, and its Notes, if any, to secure obligations of such Lender including to any Federal Reserve Bank as collateral security pursuant to Regulation A of the Board of Governors and any operating circular issued by such Federal Reserve Bank; provided, that no Lender, as between the Borrower and such Lender, shall be relieved of any of its obligations hereunder as a result of any such assignment and pledge; provided, further, that in no event shall the applicable Federal Reserve Bank, pledgee or trustee, be considered to be a “Lender” or be entitled to require the assigning Lender to take or omit to take any action hereunder.

**Section 10.07 Independence of Covenants, Etc.** All covenants, conditions and other terms hereunder and under the other Loan Documents shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, conditions or other terms, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant, condition or other term shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

**Section 10.08 Survival of Representations, Warranties and Agreements.** All representations, warranties and agreements made herein shall survive the execution and delivery hereof and the making of any Credit Extension. Notwithstanding anything herein or implied by law to the contrary, the agreements of each Loan Party set forth in Sections 2.18(c), 2.19, 2.20, 10.02 and 10.03 and the agreements of Lenders set forth in Sections 2.17, 9.03(b), 9.06 and 9.09 shall survive the payment of the Loans and the termination hereof.

**Section 10.09 No Waiver; Remedies Cumulative.** No failure or delay or course of dealing on the part of any Agent or any Lender in the exercise of any power, right or privilege hereunder or under any other Loan Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. The rights, powers and remedies given to each Agent and each Lender hereby are cumulative and shall be in addition to and independent of all rights, powers

and remedies existing by virtue of any statute or rule of law or in any of the other Loan Documents. Any forbearance or failure to exercise, and any delay in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy. Without limiting the generality of the foregoing, the making of any Credit Extension shall not be construed as a waiver of any Default or Event of Default, regardless of whether any Agent or Lender may have had notice or knowledge of such Default or Event of Default at the time of the making of any such Credit Extension.

**Section 10.10 Marshalling; Payments Set Aside.** Neither any Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Loan Party or any other Person or against or in payment of any or all of the Obligations under the Loan Documents. To the extent that any Loan Party makes a payment or payments to the Administrative Agent or Lenders (or to the Administrative Agent, on behalf of Lenders), or any Agent or Lenders enforce any security interests or exercise their rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

**Section 10.11 Severability.** In case any provision in or obligation hereunder or under any other Loan Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby (it being understood that the invalidity, illegality or unenforceability of a particular provision in a particular jurisdiction shall not in and of itself affect the validity, legality or enforceability of such provision in any other jurisdiction). The parties hereto shall endeavor in good faith negotiations to replace any invalid, illegal or unenforceable provisions with valid, legal and enforceable provisions the economic effect of which comes as close as reasonably possible to that of the invalid, illegal or unenforceable provisions.

**Section 10.12 Obligations Several; Independent Nature of Lenders' Rights.** The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Commitment of any other Lender hereunder. Nothing contained herein or in any other Loan Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt, and each Lender shall be entitled to protect and enforce its rights arising out of this Agreement and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

**Section 10.13 Table of Contents and Headings.** The Table of Contents hereof and Article and Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose, modify or amend the terms or conditions

hereof, be used in connection with the interpretation of any term or condition hereof or be given any substantive effect.

**Section 10.14 APPLICABLE LAW.** THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

**Section 10.15 CONSENT TO JURISDICTION.** SUBJECT TO CLAUSE (E) OF THE FOLLOWING SENTENCE, ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO OR ANY OTHER LOAN DOCUMENT, OR ANY OF THE OBLIGATIONS, SHALL BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH LOAN PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, HEREBY EXPRESSLY AND IRREVOCABLY (A) ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS (OTHER THAN WITH RESPECT TO ACTIONS BY ANY AGENT IN RESPECT OF RIGHTS UNDER ANY SECURITY AGREEMENT GOVERNED BY LAWS OTHER THAN THE LAWS OF THE STATE OF NEW YORK OR WITH RESPECT TO ANY COLLATERAL SUBJECT THERETO); (B) WAIVES (i) JURISDICTION AND VENUE OF COURTS IN ANY OTHER JURISDICTION IN WHICH IT MAY BE ENTITLED TO BRING SUIT BY REASON OF ITS PRESENT OR FUTURE DOMICILE OR OTHERWISE AND (ii) ANY DEFENSE OF FORUM NON CONVENIENS; (C) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE LOAN PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10.01; (D) AGREES THAT SERVICE AS PROVIDED IN CLAUSE (C) ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE LOAN PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (E) AGREES THAT THE AGENTS AND THE LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY SECURITY DOCUMENT OR THE ENFORCEMENT OF ANY JUDGMENT.

**Section 10.16 WAIVER OF JURY TRIAL.** EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER LOAN DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS,

BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.16 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER WILL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY OF THE OTHER LOAN DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE LOANS MADE HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

**Section 10.17 Confidentiality.** Each Agent and each Lender shall hold all non-public information regarding the Group and their businesses identified as such by the Borrower and obtained by such Agent or such Lender pursuant to the requirements hereof in accordance with such Agent's and such Lender's customary procedures for handling confidential information of such nature, it being understood and agreed by the Borrower that, in any event, the Administrative Agent may not disclose such information other than to the Lenders and each Agent, provided, that each Lender may make (i) disclosures of such information to Affiliates or Related Funds of such Lender or Agent and to its and their respective officers, directors, employees, representatives, agents and advisors (and to other Persons authorized by a Lender or Agent to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 10.17); provided, that, prior to any disclosure, such Affiliates, Related Funds, officers, directors, employees, representatives, agents and advisors and other persons be instructed to preserve the confidentiality of any confidential information relating to the Loan Parties received by it from any Agent or any Lender, (ii) disclosures of such information reasonably required by (A) any pledgee referred to in Section 10.06(h), (B) any bona fide or potential assignee, transferee or participant in connection with the contemplated assignment, transfer or participation of any Loans or any participations therein, (C) any bona fide or potential direct or indirect contractual counterparties (or the professional advisors thereto) to any swap or derivative transaction relating to the Borrower and its obligations or (D) any direct or indirect investor or prospective investor in a Related Fund; provided, that such pledgees, assignees, transferees, participants, counterparties, advisors and investors are advised of and agree to be bound by either the provisions of this Section 10.17 or other provisions at least as restrictive as this Section 10.17, (iii) disclosure to any rating agency when required by it; provided, that, prior to any disclosure, such rating agency be instructed to preserve the confidentiality of any confidential information relating to the Loan Parties received by it from any Agent or any Lender, (iv) disclosures in connection with the exercise of any remedies hereunder or under any other Loan Document and (v) disclosures required or requested by any governmental agency or representative thereof or by the NAIC or pursuant to legal or

judicial process; provided, that unless specifically prohibited by applicable law or court order, each Lender and each Agent shall make reasonable efforts to notify the Borrower of any request by any governmental agency or representative thereof (other than any such request in connection with any examination of the financial condition or other routine examination of such Lender by such governmental agency) for disclosure of any such non-public information prior to disclosure of such information. In addition, each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents.

**Section 10.18 Usury Savings Clause.** Notwithstanding any other provision herein, the aggregate interest rate charged with respect to any of the Obligations under the Loan Documents, including all charges or fees in connection therewith deemed in the nature of interest under applicable law, shall not exceed the Highest Lawful Rate. If the rate of interest (determined without regard to the preceding sentence) under this Agreement at any time exceeds the Highest Lawful Rate, the outstanding amount of the Loans made hereunder shall bear interest at the Highest Lawful Rate until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect; provided, that in no event shall the amount paid pursuant hereto be in excess of the amount of interest that would have been due if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Loans made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, the Borrower shall pay to the Administrative Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the Highest Lawful Rate had at all times been in effect. Notwithstanding the foregoing, it is the intention of Lenders and the Borrower to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the Highest Lawful Rate, then any such excess shall be cancelled automatically and, if previously paid, shall at such Lender's option be applied to the outstanding amount of the Loans made hereunder or be refunded to the Borrower.

**Section 10.19 Counterparts.** This Agreement may be executed in any number of counterparts (and by different parties hereto on different counterparts), each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission will be effective as delivery of an original executed counterpart thereof.

**Section 10.20 Effectiveness; Entire Agreement; No Third Party Beneficiaries.** This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto and receipt by the Borrower and the Administrative Agent of written notification of such execution and authorization of delivery thereof. This Agreement, the other Loan Documents and any commitment or fee letter entered into in connection with this Agreement represent the entire agreement of the Group, the Agents, the Arrangers, the Bookrunners and the

Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by any Agent, Arranger, Bookrunner or Lender relative to the subject matter hereof or thereof not expressly set forth or referred to herein or in the other Loan Documents. Nothing in this Agreement, in the other Loan Documents or as a result of any applicable laws, express or implied, shall be construed to confer upon any Person (other than the parties hereto and thereto, their respective successors and assigns permitted hereunder and, to the extent expressly contemplated hereby, Affiliates of each of the Agents and Lenders, holders of participations in all or any part of a Lender's Commitments, Loans or in any other Obligations under the Loan Documents, and the Indemnitees) any rights, remedies, obligations, claims or liabilities under or by reason of this Agreement, the other Loan Documents or any law of any jurisdiction which purports to confer such rights, remedies, obligations, claims or liabilities. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of any Agent or the Lenders in any other Loan Document shall not be deemed a conflict with this Agreement.

**Section 10.21 PATRIOT Act; Beneficial Ownership.** Each Lender and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Loan Party that pursuant to the requirements of the PATRIOT Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that shall allow such Lender or the Administrative Agent, as applicable, to identify such Loan Party in accordance with the PATRIOT Act and the Beneficial Ownership Regulation.

**Section 10.22 "Know Your Customer" Checks.** If in connection with (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date hereof, (b) any change in the status of a Loan Party after the date hereof, (c) the addition of any Guarantor pursuant to Section 5.10 or Section 7.01(b) or (d) any proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that was not previously a Lender hereunder, the Administrative Agent or any Lender (or, in the case of clause (d) above, any prospective Lender) requires additional information in order to comply with "know your customer" or similar identification procedures, each Loan Party shall, promptly upon the request of the Administrative Agent or such Lender, provide such documentation and other evidence as is reasonably requested by the Administrative Agent (for itself or on behalf of any Lender) or such Lender (for itself or, in the case of the event described in clause (d) above, on behalf of any prospective Lender) in order for the Administrative Agent, such Lender or such prospective Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Loan Documents.

**Section 10.23 Electronic Execution.** The words "execution," "signed," "signature," and words of like import in any Assignment Agreement or Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as an original 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.

**Section 10.24 No Fiduciary Duty.** Each Agent, each Arranger, each Bookrunner, each Lender and their respective Affiliates (collectively, solely for purposes of this paragraph, the “Lenders”), may have economic interests that conflict with those of the Borrower, its stockholders and/or its Affiliates. The Borrower agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and the Borrower, its stockholders or its Affiliates, on the other. The Loan Parties acknowledge and agree that (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm’s-length commercial transactions between the Lenders, on the one hand, and the Borrower, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of the Borrower, its stockholders or its Affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise the Borrower, its stockholders or its Affiliates on other matters) or any other obligation to the Borrower except the obligations expressly set forth in the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of the Borrower, its management, stockholders, creditors or any other Person. The Borrower acknowledges and agrees that the Borrower has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. The Borrower agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Borrower, in connection with such transaction or the process leading thereto.

**Section 10.25 Judgment Currency.** If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrower or any Guarantor in respect of such sum due from it to the Administrative Agent or the Lenders hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the “Judgment Currency”) other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the “Agreement Currency”), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent from the Borrower or any Guarantor in the Agreement Currency, the Borrower or such Guarantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent in such currency, the Administrative Agent agrees to return the amount of any excess to the Borrower or such Guarantor (or to any other Person who may be entitled thereto under applicable law).



**Section 10.26 Acknowledgment and Consent to Bail-In of Affected Financial Institutions.**

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding between the parties hereto, each party hereto acknowledges that any liability of any Affected Financial Institution under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(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 Affected Financial Institution, its parent entity, 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 the applicable Resolution Authority.

*[Remainder of page intentionally left blank]*

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

**PVH CORP.**, as Borrower

By: /s/ Mark D. Fischer  
Name: Mark D. Fischer  
Title: Executive Vice President

[Credit Agreement]

**BARCLAYS BANK PLC,**  
as Administrative Agent and a Lender

By: /s/ Christopher M. Aitkin  
Name: Christopher M. Aitkin  
Title: Vice President

[Signature Page to Credit Agreement (PVH Corp.)]

**CITIBANK, N.A.,**  
as a Lender

By: /s/ Carolyn A. Kee  
Name: Carolyn A. Kee  
Title: Vice President

[Signature Page to Credit Agreement (PVH Corp.)]

**BANK OF AMERICA, N.A.,**  
as a Lender

By: /s/ Anthony Hoye \_\_\_\_\_  
Name: Anthony Hoye  
Title: Director

[Signature Page to Credit Agreement (PVH Corp.)]

**Royal Bank of Canada,**  
as a Lender

By: /s/ John Flores  
Name: John Flores  
Title: Authorized Signatory

[Signature Page to Credit Agreement (PVH Corp.)]

**JPMORGAN CHASE BANK, N.A.,**  
as a Lender

By: /s/ James A. Knight  
Name: James A. Knight  
Title: Executive Director

[Signature Page to Credit Agreement (PVH Corp.)]

**MUFG Bank, Ltd.,**  
as a Lender

By: /s/ Katie Cunningham \_\_\_\_\_  
Name: Katie Cunningham  
Title: Director

[Signature Page to Credit Agreement (PVH Corp.)]



**TRUIST BANK,**  
as a Lender

By: /s/ J. Carlos Navarrete  
Name: J. Carlos Navarrete  
Title: Director

[Signature Page to Credit Agreement (PVH Corp.)]

**CITIZENS BANK, N.A.,**  
as a Lender

By: /s/ Angela Reilly\_\_\_\_\_

Name: Angela Reilly

Title: Senior Vice President

[Signature Page to Credit Agreement (PVH Corp.)]

**U.S. BANK NATIONAL ASSOCIATION,**  
as a Lender

By: /s/ Conan Schleicher  
Name: Conan Schleicher  
Title: Senior Vice President

[Signature Page to Credit Agreement (PVH Corp.)]

**Wells Fargo Bank, National Association,**  
as a Lender

By: /s/ Denis Waltrich  
Name: Denis Waltrich  
Title: Director

[Signature Page to Credit Agreement (PVH Corp.)]

**STANDARD CHARTERED BANK,**  
as a Lender

By: /s/ James Beck  
Name: James Beck  
Title: Director

[Signature Page to Credit Agreement (PVH Corp.)]

**TD Bank, N.A.,**  
as a Lender

By: /s/ Bernadette Collins  
Name: Bernadette Collins  
Title: Senior Vice President

[Signature Page to Credit Agreement (PVH Corp.)]

**THE BANK OF NOVA SCOTIA.,**  
as a Lender

By: /s/ Kevin McCarthy \_\_\_\_\_  
Name: Kevin McCarthy  
Title: Director

[Signature Page to Credit Agreement (PVH Corp.)]

**HSBC Bank USA, N.A.**  
as a Lender

By: /s/ Robert Devir  
Name: Robert Devir  
Title: Managing Director

[Signature Page to Credit Agreement (PVH Corp.)]



**PNC BANK, National Association,**  
as a Lender

By: /s/ Anthony Frasso \_\_\_\_\_  
Name: Anthony Frasso  
Title: Vice President

[Signature Page to Credit Agreement (PVH Corp.)]

**Sumitomo Mitsui Banking Corporation,**  
as a Lender

By: /s/ Rosa Pritsch  
Name: Rosa Pritsch  
Title: Director

[Signature Page to Credit Agreement (PVH Corp.)]

**BNP Paribas as a Lender**

By: /s/ Emma Petersen  
Name: Emma Petersen  
Title: Director

By: /s/ Michael R. Hoffman  
Name: Michael R. Hoffman  
Title: Director

[Signature Page to Credit Agreement (PVH Corp.)]

## SECOND AMENDMENT TO CREDIT AGREEMENT

This **SECOND AMENDMENT TO CREDIT AGREEMENT**, dated as of April 28, 2021 (this “Second Amendment”), is entered into by and among PVH Corp., a Delaware corporation (the “U.S. Borrower”), PVH ASIA LIMITED, with the registration number 1376775, a company incorporated under the laws of Hong Kong (the “Hong Kong Borrower”), PVH B.V., with the registration number 27278835, a Dutch private limited liability company with its corporate seat in Amsterdam, The Netherlands (the “European Borrower” and, together with the U.S. Borrower and the Hong Kong Borrower, the “Borrowers”), each Lender party hereto and Barclays Bank PLC (“Barclays”), as administrative agent (in such capacity, the “Administrative Agent”) under the Existing Credit Agreement.

## RECITALS

**WHEREAS**, the Borrowers have entered into that certain Credit and Guaranty Agreement, dated as of April 29, 2019 (as amended by that certain First Amendment to Credit Agreement, dated as of June 3, 2020 and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time immediately prior to the date hereof, the “Existing Credit Agreement”, and the Existing Credit Agreement, as modified by this Second Amendment, the “Amended Credit Agreement”), with the Lenders from time to time party thereto, the Administrative Agent and the other parties referred to therein;

**WHEREAS**, in accordance with Section 10.05(a) of the Existing Credit Agreement, the parties hereto have agreed to amend the Existing Credit Agreement in the manner and as set forth herein; and

**WHEREAS**, the Lenders party hereto constitute at least the Required Lenders under the Existing Credit Agreement.

**NOW, THEREFORE**, in consideration of the premises and the agreements, provisions and covenants herein contained, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1 Amendment to Existing Credit Agreement. Subject to the satisfaction of the conditions set forth in Section 2 of this Second Amendment, on the Effective Date, the Existing Credit Agreement is hereby amended to delete the bold, stricken text (indicated textually in the same manner as the following example: ~~stricken-text~~) and to add the bold, double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth below:

(a) The definition of “RCF Credit Agreement” in Section 1.01 of the Existing Credit Agreement is hereby amended and restated in its entirety to read as follows:

“RCF Credit Agreement” means that certain credit agreement dated as of April ~~828~~, 2020~~1~~ (as amended, restated, amended and restated, supplemented, replaced (whether before or after its stated maturity) or otherwise modified from time to time), entered into by

and among, the U.S. Borrower, the several banks and financial institutions party thereto from time to time and Barclays Bank PLC as the administrative agent.”

(b) Article IX of the Existing Credit Agreement is hereby amended by inserting a new Section 9.13 at the end thereof as follows:

**“Section 9.13 Erroneous Payments**

**(a) Each Lender hereby agrees that (x) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a “Payment”) were erroneously transmitted to such Lender (whether or not known to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on “discharge for value” or any similar doctrine. A notice of the Administrative Agent to any Lender under this Section 9.13 shall be conclusive, absent manifest error.**

**(b) Each Lender hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a “Payment Notice”) or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.**

(c) The Borrowers and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) is not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender under this Agreement or any Loan Document with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrowers or any other Loan Party under this Agreement or any other Loan Document.

(d) Each party's obligations under this Section 9.13 shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document."

SECTION 2 Conditions to Effectiveness. This Second Amendment shall become effective on and as of the first Business Day when the following conditions have been satisfied (the "Effective Date"):

(a) The Administrative Agent shall have received counterparts (or written evidence satisfactory to the Administrative Agent (which may include a facsimile or other electronic transmission) that such party has signed a counterpart) of (1) this Second Amendment duly executed by (i) each Loan Party, (ii) the Administrative Agent and (iii) the Lenders constituting at least the Required Lenders under the Existing Credit Agreement.

(b) The RCF Credit Agreement (as defined in Section 1(a) above) shall have become effective (or shall become effective substantially simultaneously with the Effective Date).

SECTION 3 Effect on Loan Documents. Except as specifically amended herein, all other Loan Documents shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. Except as specifically set forth herein, the execution, delivery and effectiveness of this Second Amendment shall not operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of the Loan Documents or in any way limit, impair or otherwise affect the rights and remedies of the Lenders or the Administrative Agent under the Loan Documents. The Borrowers and the other Loan Parties acknowledge and agree that, on and after the Effective Date, this Second Amendment and each of the other Loan Documents to be executed and delivered by a Loan Party in connection herewith shall constitute a Loan Document for all purposes of the Amended Credit Agreement. On and after the Effective Date, each reference in the Amended Credit Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import referring to the Amended Credit Agreement, and each reference in the other Loan Documents to "Credit Agreement", "thereunder", "thereof" or words of like import referring to the Existing Credit Agreement shall mean and be a reference to the Existing Credit Agreement as amended by this Second Amendment, and this Second Amendment and the Amended Credit Agreement shall be read together and construed as a single instrument. Nothing herein shall be deemed to entitle the Borrowers to a further consent to, or a further waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Amended Credit Agreement or any other Loan Document in

similar or different circumstances. For the avoidance of doubt, this Second Amendment does not constitute a novation or termination by any Loan Party of the Indebtedness and Obligations under the Existing Credit Agreement.

SECTION 4 Expenses. The Borrowers agree to pay all reasonable out-of-pocket costs and expenses incurred by the Administrative Agent in connection with this Second Amendment and any other documents prepared in connection herewith, in each case to the extent required by Section 10.02 of the Amended Credit Agreement. The Borrowers hereby confirm that the indemnification provisions set forth in Section 10.03 of the Amended Credit Agreement shall apply to this Second Amendment and such losses, claims, damages, liabilities, costs and expenses (as more fully set forth therein as applicable) which may arise herefrom or in connection herewith.

SECTION 5 Amendments; Severability.

(a) This Second Amendment may not be amended nor may any provision hereof be waived except pursuant to a writing signed by each party hereto.

(b) In case any provision in or obligation hereunder shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby (it being understood that the invalidity, illegality or unenforceability of a particular provision in a particular jurisdiction shall not in and of itself affect the validity, legality or enforceability of such provision in any other jurisdiction).

SECTION 6 GOVERNING LAW; WAIVER OF JURY TRIAL; JURISDICTION. THIS SECOND AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING UNDER THIS SECOND AMENDMENT. The provisions of Section 10.15 and Section 10.16 of the Amended Credit Agreement are incorporated herein by reference.

SECTION 7 Headings. The Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose, modify or amend the terms or conditions hereof, be used in connection with the interpretation of any term or condition hereof or be given any substantive effect.

SECTION 8 Counterparts. This Second Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Second Amendment by facsimile or other electronic transmission

(including portable document format (".pdf") or similar format) shall be effective as delivery of a manually executed counterpart hereof. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Second Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures 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; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by Administrative Agent pursuant to procedures approved by it (it being understood and agreed that documents signed manually but delivered in ".pdf" or ".tif" format (or other similar formats specified by the Administrative Agent) shall not constitute electronic signatures).

[Remainder of page intentionally left blank.]



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

**PVH CORP.**, as U.S. Borrower

By: /s/ Mark D. Fischer  
Name: Mark D. Fischer  
Title: Executive Vice President

**PVH ASIA LIMITED**, as Hong Kong Borrower

By: /s/ Mark D. Fischer  
Name: Mark D. Fischer  
Title: Director

**PVH B.V.**, as European Borrower

By: /s/ Martijn Hagman  
Name: Martijn Hagman  
Title: Managing Director

By: /s/ Marten Jan Jacob Busscher  
Name: Marten Jan Jacob Busscher  
Title: Managing Director

**BARCLAYS BANK PLC,**  
as Administrative Agent, Lender and Issuing Bank

By: /s/ Christopher M. Aitkin  
Name: Christopher M. Aitkin  
Title: Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**CITIBANK, N.A.,**  
as a Lender and an Issuing Bank

By: /s/ Carolyn A. Kee  
Name: Carolyn A. Kee  
Title: Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**BANK OF AMERICA, N.A.,**  
as a Lender and Issuing Bank

By: /s/ Anthony Hoye  
Name: Anthony Hoye  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**Royal Bank of Canada,**  
as a Lender and Issuing Bank

By: /s/ John Flores  
Name: John Flores  
Title: Authorized Signatory

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**JPMORGAN CHASE BANK, N.A.,**  
as a Lender and Issuing Bank

By: /s/ James A. Knight  
Name: James A. Knight  
Title: Executive Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**MUFG Bank, Ltd.,**  
as a Lender

By: /s/ Katie Cunningham \_\_\_\_\_  
Name: Katie Cunningham  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**TRUIST BANK,**  
as a Lender

By: /s/ J. Carlos Navarrete  
Name: J. Carlos Navarrete  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement



**Citizens Bank, N.A., as a Lender**

By: /s/ Angela Reilly\_\_\_\_\_

Name: Angela Reilly

Title: Senior Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**U.S. BANK NATIONAL ASSOCIATION,**  
as a Lender

By: /s/ Conan Schleicher  
Name: Conan Schleicher  
Title: Senior Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

Wells Fargo Bank, National Association,  
**as a Lender**

By: /s/ Denis Waltrich  
Name: Denis Waltrich  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**STANDARD CHARTERED BANK,  
as a Lender**

By: /s/ James Beck  
Name: James Beck  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**TD Bank, N.A.,**  
as a Lender

By: /s/ Bernadette Collins  
Name: Bernadette Collins  
Title: Senior Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**THE BANK OF NOVA SCOTIA.,**  
as a Lender

By: /s/ Kevin McCarthy \_\_\_\_\_  
Name: Kevin McCarthy  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**HSBC Bank USA, N.A.**  
as a Lender

By: /s/ Robert Devir  
Name: Robert Devir  
Title: Managing Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**PNC BANK, National Association,**  
as a Lender

By: /s/ Anthony Frasso \_\_\_\_\_  
Name: Anthony Frasso  
Title: Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement



**Sumitomo Mitsui Banking Corporation,**  
as a Lender

By: /s/ Rosa Pritsch  
Name: Rosa Pritsch  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**Bank of China, New York Branch,**  
as a Lender

By: /s/ Raymond Qiao  
Name: Raymond Qiao  
Title: Executive Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**Commerzbank AG,**  
as a Lender

By: /s/ Bianca Notari  
Name: Bianca Notari  
Title: Vice President

***For Lenders that require a second signature line:***

By: /s/ Philip Waddilove  
Name: Philip Waddilove  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**BNP Paribas as a Lender**

By: /s/ Emma Petersen  
Name: Emma Petersen  
Title: Director

By: /s/ Michael R. Hoffman  
Name: Michael R. Hoffman  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**Santander Bank, N.A.,**  
as a Lender

By: /s/ Jennifer Baydian  
Name: Jennifer Baydian  
Title: Senior Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**DBS Bank Ltd.,**  
as a Lender

By: /s/ Josephine Lim  
Name: Josephine Lim  
Title: Senior Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**Intesa Sanpaolo SpA – New York Branch,**  
as a Lender

By: /s/ Neil Derfler  
Name: Neil Derfler  
Title: Global Relationship Manager

***For Lenders that require a second signature line:***

By: /s/ Davide Casale  
Name: Davide Casale  
Title: Relationship Manager

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,**  
as a Lender

By: /s/ Judith Smith  
Name: Judith Smith  
Title: Authorized Signatory

By: /s/ Jessica Gavarkovs  
Name: Jessica Gavarkovs  
Title: Authorized Signatory

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement



**Industrial and Commercial Bank of China Limited, New York Branch,**  
as a Lender

By: /s/ Yufeng Gao  
Name: Yufeng Gao  
Title: Assistant Vice President

***For Lenders that require a second signature line:***

By: /s/ Haiyao Su  
Name: Haiyao Su  
Title: Executive Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**Australia and New Zealand Banking Group Limited,**  
as a Lender

By: /s/ Robert Grillo  
Name: Robert Grillo  
Title: Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**The First Bank of Highland Park,**  
as a Lender

By: /s/ Lynn M. Rosinsky \_\_\_\_\_  
Name: Lynn M. Rosinsky  
Title: Managing Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**CAPITAL ONE, NATIONAL ASSOCIATION,**  
as a Lender

By: /s/ Britt O'Rourke  
Name: Britt O'Rourke  
Title: Senior Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**Crédit Industriel et Commercial, New York Branch,**  
as a Lender

By: /s/ Brian Moriarty\_\_\_\_\_

Name: Brian Moriarty

Title: Vice President

By: /s/ Clifford Abramsky\_\_\_\_\_

Name: Clifford Abramsky

Title: Managing Director

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**The Bank of East Asia, Limited,**  
as a Lender

By: /s/ James Hua  
Name: James Hua  
Title: Senior Vice President

By: /s/ Chong Tan  
Name: Chong Tan  
Title: Senior Vice President

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**BANNER BANK,**  
as a Lender

By: /s/ Jim Steele  
Name: Jim Steele  
Title: VP / Syndications Origination  
Manager

Signature Page to  
PVH Corp. Second Amendment to Credit Agreement

**FIFTH THIRD BANK, NA,**

as a Lender

By: /s/ Todd S. Robinson

Name: Todd S. Robinson

Title: SVP

Signature Page to  
PVH Corp. First Amendment to Credit Agreement



I, Stefan Larsson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of PVH Corp.;
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - d. Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: June 10, 2021

/s/ STEFAN LARSSON

Stefan Larsson  
Chief Executive Officer

I, Michael Shaffer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of PVH Corp.;
2. Based on my knowledge, this Quarterly Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Quarterly Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this Quarterly Report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly Report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - d. Disclosed in this Report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: June 10, 2021

/s/ MICHAEL SHAFFER

Michael Shaffer

Executive Vice President and  
Chief Operating & Financial Officer

**CERTIFICATE PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of PVH Corp. (“the Company”) for the quarterly period ended May 2, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Stefan Larsson, Chief Executive Officer of the Company, certify, pursuant to section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (i) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 10, 2021

By:

Name:

/s/ STEFAN LARSSON

Stefan Larsson

Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATE PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of PVH Corp. (the "Company") for the quarterly period ended May 2, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Shaffer, Executive Vice President and Chief Operating & Financial Officer of the Company, certify, pursuant to section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

- (i) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 10, 2021

By:

Name:

/s/ MICHAEL SHAFFER

Michael Shaffer  
Executive Vice President and  
Chief Operating & Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.