EXHIBIT C

Draft

LOAN AND SECURITY AGREEMENT

Dated as of August __, 2018

DURO DYNE NATIONAL CORP.,

as Borrower

and

BANK OF AMERICA, N.A.,
as Lender

TABLE OF CONTENTS

Page

Section 1. DEFINITIONS; RULES OF CONSTRUCTION 1
1.1. Definitions 1
1.2. Accounting Terms 13
1.3. Uniform Commercial Code 14
Section 2. CREDIT FACILITIES 14
2.1. Revolver Commitment. 14
2.2. Reserved 15
2.3. Letter of Credit Facility 15
Section 3. INTEREST, FEES AND CHARGES 16
3.1. Interest. 16
3.2. Fees. 16
3.3. Computation of Interest, Fees, Yield Protection 17
3.4. Reimbursement Obligations 17
3.5. Illegality 17
3.6. Inability to Determine Rates 18
3.7. Increased Costs; Capital Adequacy 18
3.8. Maximum Interest 19
Section 4. LOAN ADMINISTRATION 20
4.1. Manner of Borrowing and Funding Revolver Loans 20
4.2. Effect of Termination 20
4.3. Reserved 21
4.4. One Obligation 21
Section 5. PAYMENTS 21
5.1. General Payment Provisions 21
5.2. Repayment of Revolver Loans 21
5.3. Reserved 21
5.4. Payment of Other Obligations 21
5.5. Marshaling; Payments Set Aside 21
5.6. Application of Payments; Dominion Account 21
5.7. Account Stated 22
Section 6. CONDITIONS PRECEDENT 22
6.1. Conditions Precedent to Initial Loans 22
6.2. Conditions Precedent to All Credit Extensions 24
Section 7. COLLATERAL 25
7.1. Grant of Security Interest 25
7.2. Lien on Deposit Accounts; Cash Collateral 25
7.3. Reserved. 26
7.4. Other Collateral 26
7.5. Limitations 26
7.6. Further Assurances; Extent of Liens 26
Section 8. COLLATERAL ADMINISTRATION 26
8.1. Borrowing Base Reports 26
8.2. Accounts 27
8.3. Inventory 28
8.4. Equipment 28
8.5. Deposit Accounts 29
8.6. General Provisions 29
8.7. Power of Attorney 30
Section 9. REPRESENTATIONS AND WARRANTIES 31

9.1. General Representations and Warranties 31
9.2. Complete Disclosure 35
Section 10. COVENANTS AND CONTINUING AGREEMENTS 35
10.1. Affirmative Covenants 35
10.2. Negative Covenants 37
10.3. Financial Covenants. 41
10.4. Equity Cure Right 41
Section 11. EVENTS OF DEFAULT; REMEDIES ON DEFAULT 42
11.1. Events of Default 42
11.2. Remedies upon Default 43
11.3. License 44
11.4. Setoff 44
11.5. Remedies Cumulative; No Waiver 44
Section 12. MISCELLANEOUS 45
12.1. Amendments and Waivers 45
12.2. Indemnity 45
12.3. Notices and Communications 45
12.4. Performance of Borrower's Obligations 46
12.5. Credit Inquiries 46
12.6. Severability 46
12.7. Cumulative Effect; Conflict of Terms 47
12.8. Counterparts 47
12.9. Entire Agreement 47
12.10. No Control; No Fiduciary Responsibility 47
12.11. Waiver of Confidentiality 47
12.12. Governing Law 47
12.13. Consent to Forum 47
12.14. Waivers by Borrower 48
12.15. Patriot Act Notice 48
12.16. NO ORAL AGREEMENT 49

LIST OF SCHEDULES

Schedule A	List of Chapter 11 Plan Documents
Schedule 8.5	Deposit Accounts
Schedule 8.6.1	Business Locations
Schedule 9.1.4	Names and Capital Structure
Schedule 9.1.11	Patents, Trademarks, Copyrights and Licenses
Schedule 9.1.14	Environmental Matters
Schedule 9.1.15	Restrictive Agreements
Schedule 9.1.16	Litigation
Schedule 9.1.18	Pension Plans
Schedule 10.2.2	Existing Liens
Schedule 10.2.14	Restrictive Agreements
Schedule 10.2.17	Existing Affiliate Transactions

LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT (this "Agreement") is dated as of August __, 2018, among **DURO DYNE NATIONAL CORP.** , a New York corporation ("Borrower") and **BANK OF AMERICA, N.A.**, a national banking association ("Lender").

RECITALS:

A. Borrower, Duro Dyne Corporation, Duro Dyne West Corp., Duro Dyne Midwest Corp., and Duro Dyne Machinery Corp. (collectively, "Chapter 11 Debtors") were debtors and debtors-in-possession in chapter 11 cases filed in the U.S. Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court") and jointly administered under Case No. _____ (the "Cases").

B. Pursuant to the Confirmation Order (defined below), the Bankruptcy Court confirmed that certain Prenegotiated Plan of Reorganization for Duro Dyne National Corporation et al. under Chapter 11 of the Bankruptcy Code (as amended, modified, and supplemented, the "Chapter 11 Plan"), which provides, *inter alia*, for the creation and funding of the Asbestos Trust (defined below) and the substantive consolidation and merger of the Debtors with and into Borrower, with Borrower being the surviving entity.

C. Borrower has requested that Lender provide a credit facility to Borrower to finance its business enterprise and, in connection with the Chapter 11 Plan, to fund a portion of the Asbestos Trust for the purposes of, among other things, processing, resolving, and paying all Asbestos Claims (as defined below). Lender is willing to provide the credit facility on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS; RULES OF CONSTRUCTION

1.1. Definitions

. In addition to terms defined elsewhere in this Agreement, the following terms have the meanings set forth below:

4 Site: 4 Site LLC, a New York limited liability company, having its chief executive office located at 81 Spence Street, Bay Shore, New York 11706.

4 Site Debt Documents: collectively, that certain Revolving Credit Note dated February 3, 2003 executed by Borrower in favor of 4 Site, as modified pursuant to that certain Modified Revolving Credit Note dated May 1, 2007 executed by Borrower in favor of 4 Site, as amended pursuant to that certain Amendment to Modified Revolving Credit Note dated as of May 29, 2014 executed by Borrower in favor of 4 Site, as further amended pursuant to that certain Amendment to Modified Revolving Credit Note dated as of May 31, 2014 executed by Borrower in favor of 4 Site; and as further amended pursuant to that certain Amendment to Modified Revolving Credit Note dated as of June 26, 2015 executed by Borrower in favor of 4 Site; that certain Security Agreement dated February 3, 2003 by and between Borrower and 4 Site; and that certain Guaranty executed by Borrower in favor of 4 Site, as all of the foregoing now exist or may hereafter be amended, restated, renewed, extended, supplemented, substituted or otherwise modified.

Account: as defined in the UCC, including all rights to payment for goods sold or leased, or for services rendered.

Account Debtor: a Person obligated under an Account, Chattel Paper or General Intangible.

Affiliate: with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have correlative meanings.

Affiliated Distributors: [**Duro Dyne to advise of the applicable Century Mechanical Systems Group entity or entities**]1

Allocable Amount: as defined in **Section 5.8.3(b)**.

Applicable Margin: the margin set forth below, as determined by the Fixed Charge Coverage Ratio as of the most recently ended Fiscal Quarter:

Level	Fixed Charge Coverage Ratio for most recently ended Fiscal Quarter	Applicable Margin for Revolving Loans
I	Greater than or equal to 1.25 : 1.00	1.75%
II	Greater than or equal to 1.00 : 1.00, but less than 1.25 : 1.00	2.00%
III	Less than 1.00:1.00	2.25%

Until [December 31, 2018], margins shall be determined as if Level II were applicable. Thereafter, the margins shall be subject to increase or decrease by Lender on the first day of each of Borrower's Fiscal Quarters based upon the Fixed Charge Coverage Ratio as of the most recently ended Fiscal Quarter. If Lender is unable to calculate the Fixed Charge Coverage Ratio for the most recently ended Fiscal Quarter due to Borrower's failure to deliver any financial statement when required hereunder, then, at the option of Lender, margins shall be determined as if Level III were applicable until the first day of the Fiscal Quarter following its receipt.

Asbestos Claims: claims against one or more Chapter 11 Debtors for asbestos-related personal injury and wrongful death.

Asbestos Trust: Duro Dyne Asbestos PI Trust, a Delaware statutory trust, established pursuant to Section 524(g) of the Bankruptcy Code for the purposes of, among other things, settling any and all claims of present and future Asbestos Claimants against one or more Chapter 11 Debtors and their shareholders (collectively, the "Protected Parties") and issuing a permanent stay and injunction from any Person (i) commencing or continuing any action or proceeding against the Protected Parties with respect to such Asbestos Claims; (ii) enforcing, attaching, collecting or otherwise recovering any judgment, award, decree or order against any Protected Parties or against the property of any Protected Parties with respect to such Asbestos Claims, (iii) creating, protecting or enforcing any Lien of any kind against the Protected Parties or the property of the Protected Parties on the basis of the Asbestos Claims; (iv)

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1 Provide information about and relationship to Century Mechanical Systems Group.

commencing any action or other proceeding with respect to an Asbestos Claim against a third party that pursuant to the Plan on or after the Effective Date of the Plan makes a loan to the Protected Parties or challenging or impairing any Lien granted in connection with such loan by reason of any Asbestos Claim; (v) except as otherwise provided in the Plan, asserting, implementing or effectuating any setoff, right of subrogation or contribution or recoupment of any kind against any obligation due any Protected Parties or the property of any Protected Parties with respect to such Asbestos Claim, and (vi) taking any act relating to such Asbestos Claim in any manner or place that does not comply with the provisions of the Chapter 11 Plan, any Chapter 11 Plan Documents, or the Trust documents.

Asbestos Trust Note: that certain Promissory Note, dated _____, 2018, in amount of $13,500,000, made by Borrower to the Asbestos Trust in connection with the Chapter 11 Plan, and evidencing the obligations of Borrower under the Asbestos Trust Note Issuance Agreement, as amended from time to time.

Asbestos Trust Note Issuance Agreement: that certain loan and security agreement among Borrower, Spence LLC, ISWR Ohio LLC and the Asbestos Trust, dated _____, 2018, setting forth the terms for, inter alia, issuance of the Asbestos Trust Note and delivery of security for payment and performance of the Asbestos Trust Note, as amended from time to time.

Availability: the Borrowing Base minus Revolver Usage.

Average Daily Availability: shall mean, for any period of determination, the average daily Availability during such period of determination.

Bank Product: any of the following products, services or facilities extended to Borrower by Lender or any of its Affiliates: (a) Cash Management Services; (b) products under Hedging Agreements; and (c) commercial credit card and merchant card services.

Bank Product Debt: debt, obligations and other liabilities of Borrower with respect to Bank Products.

Bank Product Reserve: the aggregate amount of reserves established by Lender from time to time in its discretion in respect of Bank Product Debt.

Bankruptcy Code: Title 11 of the United States Code.

Bankruptcy Court: as defined in the Recitals.

Borrowed Money: with respect to any Obligor, without duplication, its (a) debt that (i) arises from the lending of money by any Person to such Obligor; (ii) is evidenced by notes, drafts, bonds, debentures, credit documents or similar instruments; (iii) accrues interest or is a type upon which interest charges are customarily paid (excluding trade payables owing in the ordinary course of business); or (iv) was issued or assumed as full or partial payment for Property; (b) capital leases; (c) reimbursement obligations with respect to letters of credit; and (d) guaranties of any debt of the foregoing types owing by another Person.

Borrowing Base: on any date of determination, an amount equal to the lesser of:

(a) the Revolver Commitment Amount; or

(b) the sum of:

(i) the sum of (x) up to 85% of the amount of Borrower's domestic Eligible Accounts, plus (y) up to 85% of Borrower's Eligible Foreign Insured Accounts, *provided, that*, in no event shall the aggregate amount of Revolver Loans made in respect of Eligible Foreign Insured Accounts exceed $200,000 at any time, plus

(ii) the lesser of (x) up to 65% of the Value of Borrower's Eligible Inventory and (y) up to 85% of the NOLV of Eligible Inventory based on Non-conversion NOLV, *provided, that*, in no event shall the aggregate amount of Revolver Loans made in respect of Eligible Inventory exceed 75% of the Borrowing Base; plus

(iii) during the period from the Closing Date through the date which is eighteen months (18) from the Closing Date, without duplication of Eligible Inventory included in the Borrowing Base in clause (ii) above, up to 85% of an amount equal to (x) the NOLV of Eligible Inventory consisting of raw materials based on a Conversion NOLV, minus (y) the NOLV of Eligible Inventory consisting of raw materials based on a Non-conversion NOLV, provided, that, in no event shall the aggregate amount of Revolver Loans made in respect of Eligible Inventory consisting of raw materials pursuant to this clause (iii) exceed $700,000 at any time, minus

(iv) Reserves.

Borrowing Base Report: a report of the Borrowing Base by Borrower, in form and substance satisfactory to Lender.

Business Day: 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, New York, and if such day relates to LIBOR, any such day on which dealings in dollar deposits are conducted in the London interbank market.

Cases: as defined in the Recitals.

Cash Collateral: cash, and any interest or other income earned thereon, that is delivered to Lender to Cash Collateralize any Obligations.

Cash Collateral Account: a demand deposit, money market or other account maintained with Lender and subject to Lender's Liens.

Cash Collateralize: the delivery of cash to Lender, as security for the payment of Obligations, in an amount equal to (a) with respect to LC Obligations, 105% of the aggregate LC Obligations, and (b) with respect to any other Obligations (including Obligations arising under Bank Products), Lender's good faith estimate of the amount due or to become due. "Cash Collateralization" has a correlative meaning.

Cash Management Services: services relating to operating, collections, payroll, trust, or other depository or disbursement accounts, including automated clearinghouse, e-payable, electronic funds transfer, wire transfer, controlled disbursement, overdraft, depository, information reporting, lockbox and stop payment services.

Change of Control: (a) Randy Hinden and the other Hinden Family Members cease to own and control, beneficially and of record, directly or indirectly, at least 50.1%2 of the Equity Interests in Borrower; (b) a change in the majority of directors of Borrower during any 24 month period, unless

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2 Subject to review of Trust Note.

approved by the majority of directors serving at the beginning of such period; or (c) the sale or transfer of all or substantially all assets of Borrower, except to another Borrower.

Chapter 11 Debtors: as defined in the Recitals.

Chapter 11 Plan: as defined in the Recitals and attached as Exhibit A to the Confirmation Order, and together with all exhibits, schedules, annexes, supplements and other attachments thereto, as amended, supplemented or otherwise modified from time to time in accordance with Section 6.1(o).

Chapter 11 Plan Documents: means the Chapter 11 Plan and the documents listed on Schedule A.

Collateral: all Property described in **Section 7.1**, and all other Property that now or hereafter secures (or is intended to secure) any Obligations.

Commitment Termination Date: the earliest to occur of (a) the Revolver Termination Date; (b) the date on which Borrower terminates the Revolver Commitment pursuant to **Section 2.1.3**; or (c) the date on which the Revolver Commitment is terminated pursuant to **Section 11.2**.

Commitments: the Revolver Commitment.

Compliance Certificate: a certificate delivered by a knowledgeable officer of Borrower certifying compliance with **Section 10.3**.

Confirmation Order: means ***[describe order confirming the Chapter 11 Plan]***.

Conversion: [***To be defined***].

Corporate Reorganization: the restructurings contemplated by the Chapter 11 Plan Documents.

Default: an event or condition that, with the lapse of time or giving of notice, would constitute an Event of Default.

Default Rate: for any Obligation (including, to the extent permitted by law, interest not paid when due), 2% plus the interest rate otherwise applicable thereto.

Deposit Account Control Agreement: a control agreement satisfactory to Lender executed by an institution maintaining a Deposit Account for an Obligor, to perfect Lender's Lien on such account.

Dilution Reserve: a reserve established from time to time by Lender, in its discretion, in an amount less than or equal to the amount of Borrower's bad debt write-downs, discounts, returns, promotions, credits, credit memos and other cash reductions with respect to Accounts to the extent such amount exceeds 5% of the gross face amount of such Accounts calculated on a trailing twelve month basis.

Disqualified Stock: any Equity Interest that, by its terms (or by the terms of any security or other Equity Interest into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends or distributions in cash, or (d) is or becomes convertible into or exchangeable for debt or any other Equity Interests that would constitute Disqualified Stock, in each case, prior to the date that is 91 days after the Revolver Termination Date.

Dominion Account: a special account established by Borrower at Lender over which Lender has exclusive control for withdrawal purposes.

EBITDA: shall mean Borrower's earnings (a) before interest, taxes, depreciation, and amortization; (b) before deduction of losses or addition of gains associated with non-cash extraordinary items; (c) before deduction of losses or addition of gains associated with non-recurring and legacy items, including, without limitation, Asbestos Claims and costs, fees and expenses directly incurred in connection with the Cases, in an aggregate amount not to exceed $_____; and (d) before deduction of Related-Party Payments (which Related-Party Payments shall not increase year over year by more than ___% in the aggregate).

Effective Date: shall mean the date designated as such under the Chapter 11 Plan after (a) the Confirmation Order shall have become a Final Order and (b) all of the conditions precedent to the effectiveness of the Chapter 11 Plan shall have been satisfied or waived in accordance with the Chapter 11 Plan Documents.

Eligible Account: an Account owing to Borrower that arises in the ordinary course of business from the sale of goods or rendition of services, and is deemed by Lender, in its discretion, to be an Eligible Account. Without limiting the foregoing, no Account shall be an Eligible Account if (a) it is unpaid for more than 60 days after the original due date, or more than 90 days after the original invoice date; (b) 50% or more of the Accounts owing by the Account Debtor (or its Affiliates) are not Eligible Accounts under the foregoing clause; (c) when aggregated with other Accounts owing by the Account Debtor (or its Affiliates), it exceeds 15% of the aggregate Eligible Accounts (or such higher percentage as Lender may establish for the Account Debtor from time to time); (d) it does not conform with a covenant or representation herein; (e) it is owing by a creditor or supplier, or is otherwise subject to a potential offset, counterclaim, dispute, deduction, discount, recoupment, reserve, defense, chargeback, credit or allowance (but ineligibility shall be limited to the amount thereof); (f) an insolvency or bankruptcy proceeding has been commenced by or against the Account Debtor; or the Account Debtor has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs, is not solvent, or is subject to any sanction or on any specially designated nationals list maintained by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); or Borrower is not able to bring suit or enforce remedies against the Account Debtor through judicial process; (g) the Account Debtor is organized or has its principal offices or assets outside the United States , unless the Account is supported by a letter of credit (delivered to and directly drawable by Lender); (h) it is owing by a governmental authority, unless the Account Debtor is the United States or any department, agency or instrumentality thereof and the Account has been assigned to Lender in compliance with the federal Assignment of Claims Act; (i) it is not subject to a duly perfected, first priority Lien in favor of Lender, or is subject to any other Lien; (j) the goods giving rise to it have not been delivered to the Account Debtor, the services giving rise to it have not been accepted by the Account Debtor, or it otherwise does not represent a final sale; (k) it is evidenced by Chattel Paper or an Instrument of any kind, or has been reduced to judgment; (l) its payment has been extended or the Account Debtor has made a partial payment; (m) it arises from a sale to an Affiliate, from a sale on a cash-on-delivery, bill-and-hold, sale-or-return, sale-on-approval, consignment, or other repurchase or return basis, or from a sale for personal, family or household purposes; (n) it represents a progress billing or retainage, or relates to services for which a performance, surety or completion bond or similar assurance has been issued; or (o) it includes a billing for interest, fees or late charges, but ineligibility shall be limited to the extent thereof. In calculating delinquent portions of Accounts under clauses (a) and (b), credit balances more than 90 days old will be excluded. Notwithstanding anything to the contrary set forth in this definition, an Account shall cease to be an Eligible Account if the proceeds of such Account are remitted to Affiliated Distributors and Affiliated Distributors fails to deposit such proceeds in a Dominion Account within thirty (30) days of such remittance to Affiliated Distributors.

Eligible Foreign Insured Accounts: Accounts that meet the requirements of Eligible Accounts, except clause (g) of such definition, to the extent that (i) such Account is credit insured (the insurance carrier, amount and terms of such insurance shall be reasonably acceptable to Lender, shall name Lender as beneficiary or loss payee, as applicable and (ii) the Account Debtor owing on such Account is organized or has its principal offices in Australia, New Zealand or other countries acceptable to Lender in its sole discretion and confirmed by Lender in writing. Notwithstanding anything to the contrary set forth in this definition, an Account shall cease to be an Eligible Foreign Insured Account if the proceeds of such Account are remitted to Affiliated Distributors and Affiliated Distributors fails to deposit such proceeds in a Dominion Account within thirty (30) days of such remittance to Affiliated Distributors.

Eligible Inventory: Inventory owned by Borrower that Lender, in its discretion, deems to be Eligible Inventory. Without limiting the foregoing, no Inventory shall be Eligible Inventory unless it (a) is finished goods or raw materials and not work-in-process, packaging or shipping materials, labels, samples, display items, bags, replacement parts or manufacturing supplies; (b) is not held on consignment, nor subject to any deposit or down payment; (c) is in new and saleable condition and is not damaged, defective, shopworn or otherwise unfit for sale; (d) is not slow-moving, perishable, obsolete or unmerchantable, and does not constitute returned or repossessed goods; (e) meets all standards imposed by any governmental authority, has not been acquired from an entity subject to any sanction or on any specially designated nationals list maintained by OFAC, and does not constitute hazardous materials under any environmental law; (f) conforms with the covenants and representations herein; (g) is subject to Lender's duly perfected, first priority Lien, and no other Lien; (h) is within the continental United States, is not in transit except between locations of Borrower, and is not consigned to any Person; (i) is not subject to any warehouse receipt or negotiable Document; (j) is not subject to any License or other arrangement that restricts Borrower's or Lender's right to dispose of such Inventory, unless Lender has received an appropriate Lien Waiver; (k) is located (i) on a premises containing Eligible Inventory with an aggregate Value of at least $50,000, (ii) if such Inventory is located on a leased premises or in the possession of a warehouseman, processor, repairman, mechanic, shipper, freight forwarder or other Person, such lessor or such other Person has delivered a Lien Waiver or an appropriate Reserve has been established, or (iii) if such Inventory is located on a premises owned by Borrower and such premises is subject to a mortgage, the mortgagee of such premises has delivered a mortgagee waiver in form and substance satisfactory to Lender.

Enforcement Action: any action to enforce any Obligations or Loan Documents or to realize upon any Collateral.

Equity Interest: the interest of any (a) shareholder in a corporation; (b) partner in a partnership (whether general, limited, limited liability or joint venture); (c) member in a limited liability company; or (d) other Person having any other form of equity security or ownership interest.

Final Order: means a judgment, order, ruling or other decree issued and entered by the Bankruptcy Court or by any state or other federal court of competent jurisdiction which judgment, order, ruling or other decree has not been reversed or stayed and as to which (a) the time to appeal or petition for review, rehearing or certiorari has expired and as to which no appeal or petition for review, rehearing or certiorari is pending or (b) any appeal or petition for review, rehearing or certiorari has been finally decided or waived and no further appeal or petition for review, review, rehearing or certiorari can be taken or granted.

Financial Covenant Trigger Period: the period (a) commencing on the day that (i) a Default or Event of Default occurs, or (ii) Availability is less than 15% of the Revolver Commitment Amount; and (b) continuing until, during each of the preceding sixty (60) consecutive days, (i) no Default or Event of

Default has existed and (ii) Availability has been more than the greater of 15% of the Revolver Commitment Amount.

Fiscal Quarter: each period of three months, commencing on the first day of a Fiscal Year.

Fiscal Year: the Fiscal Year of Borrower (as the context may require) for accounting and tax purposes, ending on December 31 of each year.

Fixed Charge Coverage Ratio: the ratio, determined for Borrower on a consolidated basis for the most recent 12 month period then ended, of (a) EBITDA minus (i) capital expenditures (except those financed with Borrowed Money other than Revolver Loans), minus (ii) cash taxes paid, to (b) Fixed Charges.

Fixed Charges: a determination for Borrower on a consolidated basis for the most recent 12 month period then ended, the sum of (a) interest expense (other than payment-in-kind), including cash interest on Borrower's pension withdrawal liability, plus (b) lease payments, including, without limitation, Related-Party Payments, plus (c) regularly scheduled principal payments made on Borrowed Money, (d) payments, other than interest payments, made on account of Borrower's pension withdrawal liability, plus (e) Restricted Payments made in cash during such period.

Foreign Subsidiary: any Subsidiary of any Person that is not organized or incorporated in the United States, any state or territory thereof or the District of Columbia.

Guarantor: each Person that guarantees payment or performance of Obligations.

Guarantor Payment: as defined in **Section 5.8.3(b)**.

Hedging Agreement: a "swap agreement" as defined in Bankruptcy Code Section 101(53B)(A).

Hinden Family Entities: collectively, Duro Dyne Canada, Inc., 4 Site LLC, Rize LLC, Rize Enterprises Canada Inc., Pro4ma LLC, Pro4ma II LLC, Foma LLC, ISWR Ohio LLC, Duro Dyne Spence LLC, The Irene Lee Hinden Trust, The Wendy Lynn Geller Trust, The Randall Scott Hinden Trust, and The Hinden Grandchildren Trust, the estate of Sheryl Blumenthal, and the trusts created under the will of Sheryl Blumenthal.

Hinden Family Members: collectively, Randall Hinden, Wendy Hinden, Irene Hinden, David Brett Krupnick, Lindsay Jill Trant, Tobey Hinden Parker Geller, Joshua Blumenthal, Jessie Geller Cawley, Abby Beth Wein, Hayley Rebekah Geller, and Max Hinden.

Increased Examination Trigger Period: the period (a) commencing on the day that (i) a Default or Event of Default occurs, or (ii) Availability, for each of the preceding three (3) consecutive days has been less than 20% of the Revolver Commitment Amount; and (b) continuing until, during each of the preceding sixty (60) consecutive days, (i) no Default or Event of Default has existed and (ii) Availability has been more than the greater of 20% of the Revolver Commitment Amount.

Increased Reporting Trigger Period: the period (a) commencing on the day that (i) a Default or Event of Default occurs, or (ii) Availability is less than 15% of the Revolver Commitment Amount; and (b) continuing until, during each of the preceding sixty (60) consecutive days, (i) no Default or Event of Default has existed and (ii) Availability has been more than the greater of 15% of the Revolver Commitment Amount.

Inventory: as defined in the UCC, including all goods intended for sale, lease, display or demonstration; all work in process; and all raw materials, and other materials and supplies of any kind that are or could be used in connection with the manufacture, printing, packing, shipping, advertising, sale, lease or furnishing of such goods, or otherwise used or consumed in Borrower's business (but excluding Equipment).

LC Application: an application by Borrower to Lender for issuance of a Letter of Credit, in form and substance satisfactory to Lender.

LC Conditions: upon issuance of the Letter of Credit: (a) each condition in **Section 6** is satisfied; (b) after giving effect to any requested Letter of Credit, (i) total LC Obligations do not exceed the Letter of Credit Subline and (ii) Revolver Usage does not exceed the Borrowing Base; and (c) the purpose and form of the Letter of Credit are satisfactory to Lender in its discretion.

LC Documents: all documents, instruments and agreements (including LC Requests and LC Applications) delivered by Borrower or any other Person to Lender in connection with any Letter of Credit.

LC Obligations: the sum of (a) all amounts owing by Borrower for drawings under Letters of Credit; and (b) the Stated Amount of all outstanding Letters of Credit.

LC Request: a request for issuance of a Letter of Credit, to be provided by Borrower in form satisfactory to Lender.

Letter of Credit: any standby or documentary letter of credit, foreign guaranty, documentary bankers acceptance or similar instrument issued by Lender for the account or benefit of Borrower.

Letter of Credit Subline: $500,000.

LIBOR: for each month, the per annum rate of interest (rounded up to the nearest 1/8th of 1% and in no event less than zero) determined by Lender at or about 11:00 a.m. (London time) as of the first day of such month for a one-month term equal to the London Interbank Offered Rate for a 30-day interest period, or comparable or successor rate approved by Lender, as published on the applicable Reuters screen page (or other commercially available source designated by Lender from time to time); provided, that any comparable or successor rate shall be applied by Lender, if administratively feasible, in a manner consistent with market practice. If at any time LIBOR is less than zero, such rate shall be deemed to be zero.

LIBOR Screen Rate: the LIBOR quote on the applicable screen page Lender designates to determine LIBOR (or such other commercially available source providing such quotations as may be designated by the Lender from time to time).

License: any license or agreement under which an Obligor is authorized to use intellectual property in connection with any manufacture, marketing, distribution or disposition of Collateral, any use of Property or any other conduct of its business.

Lien: a Person's interest in Property securing an obligation owed to, or a claim by, such Person, including any lien, security interest, pledge, hypothecation, assignment, trust, reservation, encroachment, easement, right-of-way, covenant, condition, restriction, lease, or other title exception or encumbrance.

Lien Waiver: an agreement, in form and substance satisfactory to Lender, by which (a) a lessor waives or subordinates any Lien it may have on the Collateral, and agrees to permit Lender to enter upon the premises and remove the Collateral or to use the premises to store or dispose of the Collateral; (b) for any Collateral held by a warehouseman, processor, shipper, customs broker or freight forwarder, such Person waives or subordinates any Lien it may have on the Collateral, agrees to hold any Documents in its possession relating to the Collateral as agent for Lender, and agrees to deliver the Collateral to Lender upon request; (c) for any Collateral held by a repairman, mechanic or bailee, such Person acknowledges Lender's Lien, waives or subordinates any Lien it may have on the Collateral, and agrees to deliver the Collateral to Lender upon request; and (d) for any Collateral subject to a licensor's intellectual property rights, the licensor grants to Lender the right, vis-à-vis such licensor, to enforce Lender's Liens with respect to the Collateral, including the right to dispose of it with the benefit of the intellectual property, whether or not a default exists under any applicable license.

Loan: a Revolver Loan.

Loan Documents: this Agreement, Other Agreements and Security Documents.

Loan Year: each 12 month period commencing on the Closing Date (as defined in **Section 6.1**) and on each anniversary of the Closing Date.

Material Adverse Effect: the effect of any event or circumstance that, taken alone or in conjunction with other events or circumstances, (a) has or could be reasonably expected to have a material adverse effect on the business, operations, Properties, prospects or condition (financial or otherwise) of Borrower, on the value of any material Collateral, on the enforceability of any Loan Documents, or on the validity or priority of Lender's Liens on any Collateral; (b) impairs the ability of Borrower to perform their obligations under the Loan Documents, including repayment of any Obligations; or (c) otherwise impairs the ability of Lender to enforce or collect any Obligations or to realize upon any Collateral.

NOLV: the net orderly liquidation value of Inventory, expressed as a percentage, expected to be realized at an orderly, negotiated sale held within a reasonable period of time, net of all liquidation and/or foreclosure expenses, as determined from the most recent appraisal of Borrower's Inventory, performed by an appraiser and on terms satisfactory to Lender.

Non-conversion: [***To be defined***].

Notice of Borrowing: a request by Borrower for a Borrowing of Revolver Loans, in form satisfactory to Lender.

Obligations: all (a) principal of and premium, if any, on the Loans, (b) LC Obligations and other obligations of Borrower with respect to Letters of Credit (c) interest, expenses, fees, costs, indemnification obligations and other amounts payable by Borrower under the Loan Documents, (d) Bank Product Debt, and (e) other debts, obligations and liabilities of any kind owing by Borrower to Lender or any of its Affiliates, whether now existing or hereafter arising, whether evidenced by a note or other writing, whether allowed in any insolvency or bankruptcy proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether direct or indirect, absolute or contingent, due or to become due, primary or secondary, or joint or several.

Obligor: Borrower, Guarantor, or any other Person that is liable for payment of any Obligations or that has granted a Lien in favor of Lender on its assets to secure any Obligations.

Other Agreement: each LC Document, Lien Waiver, Borrowing Base Report, Compliance Certificate, financial statement or report delivered hereunder; or other document, instrument or agreement (other than this Agreement or a Security Document) now or hereafter delivered by an Obligor or other Person to Lender in connection with any transactions relating hereto.

Overadvances: as defined in **Section 2.1.4**.

Patriot Act: the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272 (2001).

Payment Item: each check, draft or other item of payment payable to Borrower, including those constituting proceeds of any Collateral.

Permitted 4 Site Payments: (a) regularly scheduled payments of interest payable to 4 Site under the 4 Site Debt Documents (on a non-accelerated basis), so long as immediately prior to and after giving effect to any such payments, (i) no Default or Event of Default exists or is continuing and (ii) upon giving pro forma effect to such payment, (A) Borrower shall have maintained, for the 30 day period immediately preceding such payment, Average Daily Availability of not less than 25% of the Revolver Commitment Amount, and (B) Borrower shall have immediately after giving effect to such payment, Availability of not less than 25% of the Revolver Commitment Amount, and (b) regularly scheduled payments of principal payable to 4 Site under the 4 Site Debt Documents, so long as, immediately before and after giving effect to any such payment, (i) the conditions set forth in clauses (a)(i) and (a) (ii) of this definition are satisfied, and (ii) the Fixed Charge Coverage Ratio for the twelve month period preceding the month in which the proposed payment is to be made is not less than 1.0:1.0, which shall be calculated on a pro forma basis as if such payment was made during such twelve month period.

Permitted Asbestos Trust Earn Outs: solely to the extent that Borrower's trailing twelve month EBITDA exceeds $3,000,000, earn-out payments to the Asbestos Trust on or about September 30 of each year in an amount not greater than (x) 30% multiplied by (y) the amount by which Borrower's actual EBITDA for the trailing twelve month period then ended exceeds $3,000,000; *provided, that*, in no event shall the aggregate amount of all such Permitted Asbestos Earn Out Payments exceed $2,000,000.

Permitted Asbestos Trust Note Payments: regularly scheduled payments of principal and interest payable under the Asbestos Trusts Notes (on a non-accelerated basis), so long as immediately prior to and after giving effect to any such payments, (a) no Default or Event of Default exists or is caused thereby; and (b) Borrower shall have, immediately before and after giving effect to such payment, a trailing twelve month EBITDA of not less than $3,000,000, *provided, that*, in the event that Borrower is unable to make any Permitted Asbestos Trust Notes Payments as a result of the failure to satisfy the foregoing conditions, such payments shall continue to accrue and may be paid by Borrower at such time when the foregoing conditions would be satisfied before and after making any such payments.

Permitted Cure Securities: any Equity Interest of Borrower or a direct or indirect parent thereof other than Disqualified Stock including, without limitation, preferred stock that is issued on terms that, to Lender's satisfaction, subordinate the priority of payments thereunder to the payment in full of the Obligations hereunder.

Permitted Lien: as defined in **Section 10.2.2**.

Person: any individual, corporation, limited liability company, partnership, joint venture, association, trust, unincorporated organization, governmental authority or other entity.

Property: any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

Real Estate: all right, title and interest (whether as owner, lessor or lessee) in any real Property or any buildings, structures, parking areas or other improvements thereon.

Related Parties: collectively, the Hinden Family Members, the Hinden Family Entities, and any other Entity owned or Controlled by any of the Hinden Family Members or any of the Hinden Family Entities (and any of them individually, a Related Party).

Related-Party Payment: payments made or to be made in the form of a dividend or similar distribution to a Related Party or on account of any debt or obligation owed to a Related Party arising expressly and only from (a) any base rental payment made on account of (i) that certain lease dated as of June 1, 2015, between Spence LLC, as landlord, and Duro Dyne, as tenant, pertaining to real property located at 81 Spence Street, Bay Shore, New York by or (ii) that certain lease dated as of August 1, 1991, by and between ISWR Ohio LLC, as landlord, and Midwest, as tenant, pertaining to real property located at 3825 Symmes Road, Fairfield, Ohio and (b) any other lease or rent payment made to a Related Party on account of or with respect to any property, plant, or equipment, but specifically excluding (i) payments under the 4 Site Debt Documents, and (ii) anything in the nature of a pass-through expense (i.e., which is not retained by the Related Party), including, without limitation, taxes.

Rent and Charges Reserve: the aggregate of (a) all past due rent and other amounts owing by an Obligor to any landlord, warehouseman, processor, repairman, mechanic, shipper, freight forwarder, broker or other Person who possesses any Collateral or could assert a Lien on any Collateral; (b) a reserve at least equal to three months' rent and other charges that could be payable to any such Person, unless it has executed a Lien Waiver; and (c) such other reserves with respect to rent and other amounts or the Borrowing Base as Lender may establish in its discretion owing by an Obligor to any landlord, warehouseman, processor, repairman, mechanic, shipper, freight forwarder, broker or other Person who possesses any Collateral or could assert a Lien on any Collateral.

Reserves: collectively, (a) the Bank Product Reserve and (b) the Dilution Reserve, (c) Rent and Charges Reserve; (d) all accrued and unpaid rebates owing to any customer of Borrower; (e) any negative variance of Borrower's perpetual inventory from Borrower's general ledger inventory; and (f) such other reserves against the Collateral or the Borrowing Base as Lender may establish in its discretion.

Restricted Payments: means payments on account of (a) distributions or dividends made in respect of the Equity Interest or other ownership interests of Borrower permitted under Section 10.2.4 and (b) acquisitions and investments permitted under Section 10.2.5(d).

Restricted Payment Conditions: to the extent this Agreement or a Loan Document requires that a Restricted Payment comply with the Restricted Payment Conditions, such payment shall be subject to the following conditions: prior to and after giving effect to such payment (a) no Default or Event of Default exists or is caused thereby; and (b) upon giving pro forma effect to such payment, (i) Borrower shall have maintained, for the 30 day period immediately preceding such payment, Average Daily Availability of not less than 30% (or, in the case of Restricted Payments under clause (b) of such definition, 20%) of the Revolver Commitment Amount, (ii) Borrower shall have, immediately after giving effect to such payment, Availability of not less than 30% (or, in the case of Restricted Payments under clause (b) of such definition, 20%) of the Revolver Commitment Amount; and (iii) the Fixed Charge Coverage Ratio for the twelve month period preceding the month in which the proposed payment is to be made, is not less than 1.10 : 1.0 (or, in the case of Restricted Payments under clause (b) of such definition, 1.0 : 1.0), which shall be calculated on a pro forma basis as if such payment was made during such twelve month period.

Revolver Commitment: Lender's obligation to make Revolver Loans and to issue Letters of Credit in an aggregate amount up to the Revolver Commitment Amount.

Revolver Commitment Amount: means $9,950,000.

Revolver Loan: a loan made pursuant to **Section 2.1**.

Revolver Termination Date: _____, 2023.

Revolver Usage: the aggregate amount of outstanding Revolver Loans, plus the aggregate Stated Amount of outstanding Letters of Credit and other LC Obligations.

Royalties: all royalties, fees, expense reimbursement and other amounts payable by Borrower under a License.

Secured Party or Secured Parties: Lender and any of Lender's Affiliates that are providers of Bank Products.

Security Documents: the Guaranties, Deposit Account Control Agreements, and all other documents, instruments and agreements now or hereafter securing (or given with the intent to secure) any Obligations.

Stated Amount: the outstanding amount of a Letter of Credit, including any automatic increase or tolerance (whether or not then in effect) provided by the Letter of Credit or related LC Documents.

Subordinated Debt: debt incurred by Borrower that is expressly subordinate and junior in right of payment to the indefeasible full payment of all Obligations, and is on terms (including maturity, interest, fees, repayment, covenants and subordination) satisfactory to Lender.

Subsidiary or Subsidiaries: any entity at least 50% of whose voting securities or Equity Interests is owned by Borrower (including indirect ownership through other entities in which Borrower directly or indirectly owns 50% of the voting securities or Equity Interests).

Tax Distributions: a distribution by Borrower to the holders of the Equity Interests of Borrower solely to the extent necessary to permit such holders to discharge their respective federal, state and local tax liabilities arising directly as holders of the Equity Interests of Borrower (and not any Affiliate of Borrower), determined based on the assumption that all such holders are subject to the highest marginal tax rate in effect at the time of such distribution.

UCC: the Uniform Commercial Code as in , among other things, effect in the State of New York or, when the laws of any other jurisdiction govern the perfection or enforcement of any Lien, the Uniform Commercial Code of such jurisdiction.

Unused Line Fee Rate: a per annum rate equal to 0.25%.

Value: with respect to Inventory, its value determined on the basis of the cost, calculated on a first-in, first-out basis, and excluding any portion of cost attributable to intercompany profit among Borrower and their Affiliates.

1.2. Accounting Terms

. Under the Loan Documents (except as otherwise specified therein), all accounting terms shall be interpreted, all accounting determinations shall be made, and all financial statements shall be prepared, in accordance with generally accepted accounting principles in the U.S. ("GAAP") applied on a basis consistent with the most recent reviewed financial statements of Borrower delivered to Lender before the Closing Date and using the same inventory valuation method as used in such financial statements, except for any change required or permitted by GAAP if Borrower's certified public accountants concur in such change, the change is disclosed to Lender, and all relevant provisions of the Loan Documents are amended in a manner satisfactory to Lender to take into account the effects of the change.

1.3. Uniform Commercial Code

. As used herein, the following terms are defined in accordance with the UCC in effect in the State of New York from time to time: "Chattel Paper," "Commercial Tort Claim," "Deposit Account," "Document," "Equipment," "General Intangibles," "Goods," "Instrument," "Investment Property," "Letter-of-Credit Right" and "Supporting Obligation."

SECTION 2. CREDIT FACILITIES

2.1. Revolver Commitment.

2.1.1. Revolver Loans

(a) . Lender agrees, on the terms set forth herein, to make Revolver Loans to Borrower in an aggregate amount up to the Revolver Commitment Amount, from time to time through the Commitment Termination Date. Revolver Loans may be repaid and reborrowed as provided herein. In no event shall Lender have any obligation to honor a request for a Revolver Loan if Revolver Usage at such time plus the requested Loan would exceed the Borrowing Base.

2.1.2. Use of Proceeds

. The proceeds of Revolver Loans shall be used by Borrower solely (a) to satisfy existing debt or credit facilities; (b) to pay fees and transaction expenses associated with the closing of this credit facility; (c) to pay Obligations in accordance with this Agreement; (d) to fund the Asbestos Trust in an amount not to exceed $7,500,000 and related fees and expenses; and (e) for other lawful corporate purposes of Borrower, including working capital.

2.1.3. Voluntary Reduction or Termination of Revolver Commitment.

The Revolver Commitment shall terminate on the Revolver Termination Date, unless sooner terminated in accordance with this Agreement. Upon at least 30 days prior written notice to Lender at any time, Borrower may terminate the Revolver Commitment and this credit facility. Any notice of termination given by Borrower shall be irrevocable. On the Commitment Termination Date, Borrower shall make full payment of all Obligations.

2.1.4. Overadvances

. If Revolver Usage exceeds the Borrowing Base ("Overadvance") at any time, such excess shall be payable by Borrower **on demand** by Lender, but all Revolver Usage (including the excess amount) shall nevertheless constitute Obligations secured by the Collateral and entitled to all benefits of the Loan Documents. No funding or sufferance of an Overadvance by Lender shall constitute a waiver of the Event of Default (as defined in **Section 11**) caused thereby.

2.2. Reserved

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2.3. Letter of Credit Facility

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2.3.1. Issuance of Letters of Credit

. Lender agrees to issue Letters of Credit from time to time until 30 days prior to the Revolver Termination Date (or until the Commitment Termination Date, if earlier), on the terms set forth herein, including the following:

(a) Borrower acknowledgess that Lender's willingness to issue any Letter of Credit is conditioned upon its receipt of a LC Application with respect to the requested Letter of Credit, as well as such other instruments and agreements as Lender may customarily require for issuance of a letter of credit of similar type and amount. Lender shall have no obligation to issue any Letter of Credit unless (i) it receives a LC Request and LC Application at least three Business Days prior to the requested date of issuance; and (ii) each LC Condition is satisfied.

(b) Letters of Credit may be requested by Borrower to support obligations incurred in the ordinary course of business, or as otherwise approved by Lender. Increase, renewal or extension of a Letter of Credit shall be treated as issuance of a new Letter of Credit, except that Lender may require a new LC Application in its discretion.

(c) Borrower assumes all risks of the acts, omissions or misuses of any Letter of Credit by the beneficiary. In connection with issuance of any Letter of Credit, Lender shall not be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any Documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a Letter of Credit or documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of Lender. Lender shall not be liable to Borrower or other Person for any action taken or omitted to be taken in connection with any Letter of Credit or LC Documents except as a result of its gross negligence or willful misconduct. Lender shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrower is discharged with proceeds of any Letter of Credit.

(d) In connection with its administration of and enforcement of rights or remedies under any Letters of Credit or LC Documents, Lender shall be entitled to act, and shall be fully protected in acting, upon any certification, documentation or communication in whatever form believed by Lender, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person.

2.3.2. Reimbursement

. If Lender honors any request for payment under a Letter of Credit, Borrower shall pay to Lender, on the same day ("Reimbursement Date"), the amount paid under such Letter of Credit, together with interest at the interest rate for Revolver Loans from the Reimbursement Date until payment by Borrower. The obligation of Borrower to reimburse Lender for any payment made under a Letter of Credit shall be absolute, unconditional, irrevocable, and shall be paid without regard to any lack of validity or enforceability of any Letter of Credit or the existence of any claim, setoff, defense or other right that Borrower may have at any time against the beneficiary. Whether or not Borrower submits a Notice of Borrowing, Borrower shall be deemed to have requested a Borrowing of Revolver Loans in an amount necessary to pay all amounts due on any Reimbursement Date.

2.3.3. Cash Collateral

. If at any time (a) an Event of Default exists, (b) the Commitment Termination Date has occurred, or (c) the Revolver Termination Date is scheduled to occur within 20 Business Days, then Borrower shall, at Lender's request, Cash Collateralize all outstanding Letters of Credit. If Borrower fails to provide any Cash Collateral as required hereunder, Lender may advance, as Revolver Loans, the amount of Cash Collateral required.

SECTION 3. INTEREST, FEES AND CHARGES

3.1. Interest.

3.1.1. Rates and Payment of Interest.

(a) The Obligations shall bear interest at LIBOR in effect from time to time, plus the Applicable Margin.

(b) During any Event of Default, Obligations shall bear interest at the Default Rate (whether before or after any judgment). Borrower acknowledgess that the cost and expense to Lender due to an Event of Default are difficult to ascertain and that the Default Rate is fair and reasonable compensation for this.

(c) Interest shall accrue from the date a Loan is advanced or Obligation is incurred or payable, until paid in full. Interest accrued on the Loans shall be due and payable in arrears, (i) on the first day of each month; (ii) on any date of prepayment, with respect to the principal amount of Loans being prepaid; and (iii) on the Commitment Termination Date. Interest accrued on any other Obligations shall be due and payable as provided in the Loan Documents and, if no payment date is specified, shall be due and payable **on demand**. Notwithstanding the foregoing, interest accrued at the Default Rate shall be due and payable **on demand**.

3.1.2. Interest Rate Not Ascertainable

. If, due to any circumstance affecting the London interbank market, Lender determines that adequate and fair means do not exist for ascertaining LIBOR on any applicable date then Lender shall immediately notify Borrower of such determination. Until Lender notifies Borrower that such circumstance no longer exists, the obligation of Lender to make Loans based upon LIBOR shall be suspended and no further Loans may be requested, made or continued based upon LIBOR.

3.2. Fees.

3.2.1. Unused Line Fee. Borrower shall pay to Lender a fee equal to the Unused Line Fee Rate times the amount by which the Revolver Commitment Amount exceeds the average daily Revolver Usage during any month. Such fee shall be payable in arrears, on the first day of each month and on the Commitment Termination Date.

3.2.2.

3.2.3. Closing Fee. On the Closing Date, Borrower shall pay to Lender a closing fee of 0.25% of the Revolver Commitment Amount.

3.2.4. Administrative Fee. On the Closing Date and on each anniversary thereof, Borrower shall pay to Lender an administrative fee of $5,000.

3.2.5. LC Facility Fees

. Borrower shall pay to Lender (a) a fee equal to the Applicable Margin in effect for Revolver Loans times the average daily Stated Amount of Letters of Credit, which fee shall be payable monthly in arrears, on the first day of each month; (b) a fronting fee equal to 0.125% per annum on the Stated Amount of each Letter of Credit, which fee shall be payable monthly in arrears, on the first day of each month; and (c) all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Letters of Credit, which charges shall be paid as and when incurred. During an Event of Default, the fee payable under clause (a) shall be increased by 2% per annum.

3.3. Computation of Interest, Fees, Yield Protection

. All interest, as well as fees and other charges calculated on a per annum basis, shall be computed for the actual days elapsed, based on a year of 360 days. All fees payable under **Section 3.2** are compensation for services and are not, and shall not be deemed to be, interest or any other charge for the use, forbearance or detention of money. A certificate as to amounts payable by Borrower under **Section 3.4**, or **3.7** submitted to Borrower shall be final, conclusive and binding for all purposes, absent manifest error, and Borrower shall pay such amounts to Lender within 10 days following receipt of the certificate.

3.4. Reimbursement Obligations

. Borrower shall pay all fees, costs, expenses or advances Lender may incur during an Event of Default promptly upon request. Borrower shall also reimburse Lender for all legal, accounting, appraisal, consulting, and other fees and expenses incurred by it in connection with (a) negotiation and preparation of any Loan Documents, including any modification thereof; (b) administration of and actions relating to any Collateral, Loan Documents and transactions contemplated thereby, including any actions taken to perfect or maintain priority of Lender's Liens on any Collateral, to maintain any insurance required hereunder or to verify Collateral; and (c) each examination or appraisal with respect to Borrower or any Collateral, whether by Lender's personnel or a third party. All amounts payable by Borrower under this Section shall be due **on demand**.

3.5. Illegality

. If Lender determines that any applicable law has made it unlawful, or that any governmental authority has asserted that it is unlawful, for Lender to make, maintain or fund Loans, or to determine or charge interest rates based upon LIBOR, or any governmental authority has imposed material restrictions on the authority of Lender to purchase or sell, or to take deposits of, dollars in the London interbank market, then, on notice thereof by Lender to Borrower, any obligation of Lender to make or continue

Loans based upon LIBOR shall be suspended until Lender notifies Borrower that the circumstances giving rise to such determination no longer exist.

3.6. Inability to Determine Rates

(a) Lender will promptly notify Borrower if, in connection with any Loan or request for a Loan, Lender determines for any reason that (i) dollar deposits are not being offered to banks in the London interbank Eurodollar market for the applicable Loan; or (ii) LIBOR does not adequately and fairly reflect the cost to Lender of funding the Loan based upon LIBOR. Thereafter, Lender's obligation to make or maintain affected Loans based upon LIBOR shall be suspended until Lender withdraws the notice.

(b) Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Lender determines (which determination shall be conclusive absent manifest error), or Borrower notifies Lender that Borrower has determined, that:

(i) adequate and reasonable means do not exist for ascertaining LIBOR, including, without limitation, because the LIBOR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the administrator of the LIBOR Screen Rate or a Governmental Authority having jurisdiction over Lender has made a public statement identifying a specific date after which LIBOR or the LIBOR Screen Rate shall no longer be made available, or used for determining the interest rate of loans (such specific date, the "**Scheduled Unavailability Date**"), or

(iii) loans currently being executed, or that include language similar to that contained in this Section, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace LIBOR,

then, reasonably promptly after such determination by Lender or receipt by Lender of such notice , as applicable, Lender and Borrower may amend this Agreement to replace LIBOR with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein) , (any such proposed rate, a ""**LIBOR Successor Rate**"), together with any proposed LIBOR Successor Rate conforming changes required by Lender and any such amendment shall become effective at 5:00 p.m. (New York time) on the fifth Business Day after Lender shall have posted such proposed amendment to Borrower.

If no LIBOR Successor Rate has been determined and the circumstances under clause (i) above exist or the Scheduled Unavailability Date has occurred (as applicable), Lender will promptly so notify Borrower. Thereafter, the obligation of Lender to make or maintain LIBOR Loans shall be suspended. Upon receipt of such notice, Borrower may revoke any pending request for a LIBOR Loan, or, failing that, will be deemed to have converted such request into a request for a Loan at the LIBOR Successor Rate.

Notwithstanding anything else herein, any definition of LIBOR Successor Rate shall provide that in no event shall such LIBOR Successor Rate be less than zero for the purposes of this Agreement.

3.7. Increased Costs; Capital Adequacy

3.7.1. Increased Costs Generally

. If any Change in Law shall:

(a) impose modify or deem applicable any reserve, liquidity, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, Lender (except any reserve requirement reflected in calculating LIBOR);

(b) subject Lender to any taxes with respect to any Loan, Letter of Credit, Commitment or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(c) impose on Lender or any interbank market any other condition, cost or expense affecting any Loan, Letter of Credit, Commitment or Loan Document;

and the result thereof shall be to increase the cost to Lender of making or maintaining any Loan or Commitment, or converting to or continuing any interest option for a Loan, or to increase the cost to Lender of issuing or maintaining any Letter of Credit (or of maintaining its obligation to issue a Letter of Credit), or to reduce the amount of any sum received or receivable by Lender hereunder (whether of principal, interest or any other amount) then, upon request by Lender, Borrower will pay to Lender such additional amount(s) as will compensate it for the additional costs incurred or reduction suffered.

3.7.2. Capital Requirements

. If Lender determines that a Change in Law affecting Lender or its holding company regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on Lender's or such holding company's capital as a consequence of this Agreement, Commitments, Loans or Letters of Credit to a level below that which Lender or such holding company could have achieved but for such Change in Law (taking into consideration its policies with respect to capital adequacy), then from time to time Borrower will pay to Lender such additional amounts as will compensate it or its holding company for the reduction suffered.

"Change in Law" means the occurrence, after the date of this Agreement, of (a) the adoption or taking effect of, or any change in, any law, rule, regulation or treaty, or (b) the making, issuance or application of any request, guideline, requirement or directive (whether or not having the force of law) by any governmental authority, provided that "Change in Law" shall include all requests, rules, guidelines, requirements or directives (i) under or relating to the Dodd-Frank Wall Street Reform and Consumer Protection Act, or (ii) promulgated pursuant to Basel III by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any similar authority) and shall in each case be deemed to be a "Change in Law" regardless of the date enacted, adopted or issued.

3.8. Maximum Interest

. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable law ("maximum rate"). If Lender shall receive interest in an amount that exceeds the maximum rate, the excess interest shall be applied to the principal of the Obligations or, if it exceeds such unpaid principal, refunded to Borrower. In determining whether the interest contracted for, charged

or received by Lender exceeds the maximum rate, Lender may (a) characterize any payment that is not principal as an expense, fee or premium rather than interest; (b) exclude voluntary prepayments and the effects thereof; and (c) amortize, prorate, allocate and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

SECTION 4. LOAN ADMINISTRATION

4.1. Manner of Borrowing and Funding Revolver Loans

4.1.1. Notice of Borrowing.

(a) Whenever Borrower desires funding of a Revolver Loan, Borrower shall give Lender a Notice of Borrowing. Such notice must be received by Lender by 11:00 a.m. on the requested funding date for the Loan. Notices received after such time shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (A) the amount of the Borrowing, and (B) the requested funding date (which must be a Business Day).

(b) Unless payment is otherwise made by Borrower, the becoming due of any Obligation (whether principal, interest, fees, costs, expenses or other charges, including LC Obligations, Cash Collateral and Bank Product Debt) shall be deemed to be a request for a Revolver Loan on the due date in the amount due and the Loan proceeds shall be disbursed as direct payment of such Obligation. In addition, Lender may, at its option, charge such amount against any operating, investment or other account of Borrower maintained with Lender or any of its Affiliates.

(c) Presentation for payment of any Payment Item in any disbursement account of Borrower maintained with Lender when there are insufficient funds to cover it shall be deemed to be a request for a Revolver Loan on the presentation date, in the amount of the Payment Item. Proceeds of the Loan may be disbursed directly to the account.

4.1.2. Notices.

Borrower, through Borrower, may request and transfer funds based on telephonic or e-mailed instructions to Lender. Borrower shall confirm each such request by prompt delivery to Lender of a Notice of Borrowing but if it differs materially from the action taken by Lender, the records of Lender shall govern. Lender shall not have any liability for any loss suffered by Borrower as a result of Lender acting upon its understanding of telephonic or e-mailed instructions from a person believed in good faith to be a person authorized to give such instructions on Borrower's behalf.

4.2. Effect of Termination

. On the Commitment Termination Date, the Obligations shall be immediately due and payable, and each Secured Party may terminate its Bank Products. Until full payment of the Obligations, all undertakings of Borrower contained in the Loan Documents shall continue, and Lender shall retain its Liens in the Collateral and all of its rights and remedies under the Loan Documents. Lender shall not be required to terminate its Liens unless it receives Cash Collateral or a written agreement, in each case satisfactory to it, protecting it from dishonor or return of any Payment Item previously applied to the Obligations. **Sections 3.4, 3.7, 5.5, 12.2**, this Section, and each indemnity or waiver given by an Obligor in any Loan Document, shall survive full payment of the Obligations.

4.3. Reserved

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4.4. One Obligation

. The Loans and other Obligations constitute one general obligation of Borrower and are secured by Lender's Lien on all Collateral; provided, however, that Lender shall be deemed to be a creditor of, and the holder of a separate claim against, Borrower to the extent of any Obligations jointly or severally owed by Borrower.

SECTION 5. PAYMENTS

5.1. General Payment Provisions

. All payments of Obligations shall be made without offset, counterclaim or defense of any kind, free and clear of (and without deduction for) any taxes or other amounts, and in immediately available funds, not later than 12:00 noon on the due date. Any payment after such time shall be deemed made on the next Business Day. Borrower agrees that Lender shall have the continuing, exclusive right to apply and reapply payments and proceeds of Collateral against Obligations, in such manner as Lender deems advisable.

5.2. Repayment of Revolver Loans

. Revolver Loans shall be due and payable in full on the Revolver Termination Date, unless payment is sooner required hereunder. Revolver Loans may be prepaid from time to time, without penalty or premium. If an Overadvance exists at any time, Borrower shall, on the sooner of Lender's demand or the first Business Day after Borrower has knowledge thereof, repay Revolver Loans in an amount sufficient to reduce Revolver Usage to the Borrowing Base.

5.3. Reserved

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5.4. Payment of Other Obligations

. Obligations other than Loans, including LC Obligations and fess, cost and expenses, shall be paid by Borrower as provided in the Loan Documents or, if no payment date is specified, **on demand**.

5.5. Marshaling; Payments Set Aside

. Lender shall have no obligation to marshal any assets in favor of Borrower or against any Obligations. If any payment by or on behalf of Borrower is made to Lender or if Lender exercises a right of setoff, and any of such payment or setoff is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Lender in its discretion) to be repaid to a trustee, receiver or any other Person, then the Obligation originally intended to be satisfied, and all Liens, rights and remedies relating thereto, shall be revived and continued in full force and effect as if such payment or setoff had not occurred.

5.6. Application of Payments; Dominion Account

. The ledger balance in the main Dominion Account as of the end of a Business Day shall be applied to the Obligations at the beginning of the next Business Day. If a credit balance results from such application, it shall not accrue interest in favor of Borrower and shall be made available to Borrower as long as no Event of Default exists. For the purposes of calculating interest, Lender will be deemed to have applied funds deposited to the Dominion Account or otherwise received by Lender one Business Day following the Business Day of deposit to the Dominion Account or receipt by Lender.

5.7. Account Stated

. Lender shall maintain, in accordance with its customary practices, loan account(s) evidencing the debt of Borrower hereunder. Any failure of Lender to record anything in a loan account, or any error in doing so, shall not limit or otherwise affect the obligation of Borrower to pay any amount owing hereunder. Entries made in a loan account shall constitute presumptive evidence of the information contained therein and shall be conclusive and binding on Borrower absent manifest error.

SECTION 6. CONDITIONS PRECEDENT

6.1. Conditions Precedent to Initial Loans

. In addition to the conditions set forth in **Section 6.2**, Lender shall not be required to fund any requested Loan, issue any Letter of Credit or otherwise extend credit to Borrower hereunder, until the date ("Closing Date") that each of the following conditions has been satisfied:

(a) Each Loan Document shall have been duly executed and delivered to Lender by each of the signatories thereto, and Borrower shall be in compliance with all terms thereof.

(b) Lender shall have received acknowledgments of all filings or recordations necessary to perfect its Liens in the Collateral, as well as UCC and Lien searches and other evidence satisfactory to Lender that such Liens are the only Liens upon the Collateral, except Permitted Liens.

(c) Lender shall have received duly executed agreements establishing the Dominion Account and related lockbox in form and substance satisfactory to Lender.

(d) Lender shall have received certificates, in form and substance satisfactory to it, from a knowledgeable senior officer of Borrower certifying that, after giving effect to the initial Loans and transactions hereunder, (i) Borrower is solvent; (ii) no Event of Default exists; (iii) the representations and warranties set forth in **Section 9**; and (iv) Borrower has complied with all agreements and conditions to be satisfied by it under the Loan Documents.

(e) Lender shall have received copies of Borrower's organizational documents and all resolutions authorizing the execution and delivery of the Loan Documents and any other resolutions adopted with respect to this credit facility.

(f) Lender shall have received copies of the charter documents of Borrower, certified by the Secretary of State or other appropriate official of Borrower's jurisdiction of organization. Lender shall have received good standing certificates for Borrower, issued by the Secretary of State or other appropriate official of Borrower's jurisdiction of organization and each jurisdiction where Borrower's conduct of business or ownership of Property necessitates qualification, as well as any necessary third party or governmental consents and/or Lien Waivers.

(g) Lender shall have received copies of policies or certificates of insurance and insurance endorsements for the insurance policies carried by Borrower, all in compliance with the Loan Documents.

(h) Lender shall have completed its business, financial and legal due diligence of Borrower, including a field examination and appraisal of Inventory, with results satisfactory to Lender. No material adverse change in the financial condition of Borrower or in the quality, quantity or value of any Collateral shall have occurred since December 31, 2017 (it being understood that the commencement and continuance of the Cases, events attendant thereto, and consummation of the Chapter 11 Plan and the transactions contemplated thereby shall not be deemed to be or result in a material adverse change).

(i) Borrower shall have paid all fees and expenses to be paid to Lender on the Closing Date.

(j) Lender shall have received a Borrowing Base Report prepared as of [August __, 2018].

(k) Upon giving effect to the initial funding of Loans and issuance of Letters of Credit, and the payment by Borrower of all fees and expenses incurred in connection herewith and transaction costs associated with the Chapter 11 Plan (whether or not actually paid as of the Closing Date), as well as any payables stretched beyond their customary payment practices, Availability shall be at least $1,500,000;

(l) The Chapter 11 Plan shall be acceptable to Lender and shall have been approved by the Bankruptcy Court;

(m) Lender shall have received satisfactory evidence that Borrower and any other Obligors have satisfied all obligations in accordance with the Chapter 11 Plan that are payable or otherwise due as of the Effective Date, including payment of any transaction costs.

(n) Agent shall have received evidence that the Corporate Reorganization shall have been consummated in accordance with the Chapter 11 Plan Documents.

(o) The Confirmation Order, which, among other things confirms the Chapter 11 Plan and authorizes Borrower to take, and approves, such actions necessary to consummate the Chapter 11 Plan, including entering into this Agreement shall be in full force and effect, in form and substance acceptable to Lender, shall be a Final Order and shall not (i) be subject to a motion to stay, or (ii) have been vacated, reversed, stayed, amended or modified in any manner that is adverse (as determined in by the Lender) to the rights and interests of Lender and its affiliates, in their capacities as such, in any respect without written consent of the Lender. The Chapter 11 Plan shall not have been amended or modified in any manner that is materially adverse (as determined by the Lender in its discretion) to the rights and interests of each of Lender and its affiliates, in their capacities as such, relative to the version of the Chapter 11 Plan approved by the Confirmation Order, without written consent of the Lender;

(p) Lender shall have received a copy of the Confirmation Order as duly entered by the Bankruptcy Court and entered on the docket of the Clerk of the Bankruptcy Court in the Cases, and such order shall include such provisions with respect to the Loan Documents as are reasonably satisfactory to Agent and, providing, among other things, that Obligors shall be authorized to (i) enter into this Agreement and the other Loan Documents, (ii) grant the liens and security interests and incur or guaranty the indebtedness under this Agreement and the other Loan Documents, and (iii) issue, execute and deliver all documents, agreements and instruments necessary or appropriate to implement and

effectuate all obligations under this Agreement and the other Loan Documents and to take all other actions necessary to implement and effectuate borrowings under this Agreement and the other Loan Documents;

(q) Lender shall have received a report of the amounts of administrative expenses, priority tax claims, general unsecured claims, secured claims, and reclamation claims arising in the Cases which are to be paid in cash on the Closing Date or reasonably projected to be allowed and payable after the Closing Date, which amounts are, in all material respects, set forth in the projections delivered to Lender pursuant to Section 6.1(h) hereof;

(r) Lender shall have received all material documents related to the Asbestos Trust and the Asbestos Trust Note and evidence that all required amounts have been funded to the Asbestos Trust, other than the amounts to be advanced hereunder;

(s) Lender shall have received a customary payoff letter (or other evidence reasonably satisfactory to Lender) with respect to the then existing credit facilities other than with respect to the 4 Site Debt Documents (if any) (i) evidencing that, among other things, upon the making of the initial Revolver Loans on the Closing Date and the application of such funds in accordance with such payoff letter, all obligations under such facilities will have been paid and satisfied in full, and all commitments thereunder will terminate, and (ii) confirming that all Liens securing such existing indebtedness will be, contemporaneously with the initial funding under this Agreement, released and terminated; and

(t) Lender shall have received intercreditor and subordination agreements, in form and substance satisfactory to Lender, in respect to the Subordinated Debt (including the 4 Site Debt Documents) and indebtedness owing by Borrower to the Asbestos Trust pursuant to the Asbestos Trust Note, duly executed and delivered by the parties thereto.

6.2. Conditions Precedent to All Credit Extensions

. Lender shall not be required to fund any Loans, issue any Letters of Credit, or grant any other accommodation to or for the benefit of Borrower, unless the following conditions are satisfied:

(a) No Event of Default shall exist at the time of, or result from, such funding, issuance or grant;

(b) The representations and warranties of Borrower in the Loan Documents shall be true and correct in on the date of, and upon giving effect to, such funding, issuance or grant (except for representations and warranties that expressly relate to an earlier date);

(c) All conditions precedent in any other Loan Document shall be satisfied; and

(d) No event shall have occurred or circumstance exist that has or could reasonably be expected to have a Material Adverse Effect.

(e) With respect to a Letter of Credit issuance, all LC Conditions shall be satisfied.

Each request (or deemed request) by Borrower for funding of a Loan, issuance of a Letter of Credit or grant of an accommodation shall constitute a representation by Borrower that the foregoing conditions are satisfied on the date of such request and on the date of such funding, issuance or grant. As an additional

condition to any funding, issuance or grant, Lender shall have received such other information, documents, instruments and agreements as it deems appropriate.

SECTION 7. COLLATERAL

7.1. Grant of Security Interest

. To secure the prompt payment and performance of its Obligations, Borrower hereby grants to Lender a continuing security interest in and Lien upon all Property of Borrower, including all of the following Property, whether now owned or hereafter acquired, and wherever located:

(a) all Accounts;

(b) all Chattel Paper, including electronic chattel paper;

(c) all Commercial Tort Claims;

(d) all Deposit Accounts;

(e) all Documents;

(f) all General Intangibles, including intellectual property;

(g) all Goods, including Inventory, Equipment and fixtures;

(h) all Instruments;

(i) all Investment Property;

(j) all Letter-of-Credit Rights;

(k) all Supporting Obligations;

(l) all monies, whether or not in the possession or under the control of Lender, or a bailee or Affiliate of Lender, including any Cash Collateral;

(m) all accessions to, substitutions for, and all replacements, products, and cash and non-cash proceeds of the foregoing, including proceeds of and unearned premiums with respect to insurance policies, and claims against any Person for loss, damage or destruction of any Collateral; and

(n) all books and records (including customer lists, files, correspondence, tapes, computer programs, print-outs and computer records) pertaining to the foregoing.

7.2. Lien on Deposit Accounts; Cash Collateral

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7.2.1. Deposit Accounts

. To further secure the prompt payment and performance of its Obligations, Borrower hereby grants to Lender a continuing security interest in and Lien upon all amounts credited to any Deposit Account of Borrower, including sums in any blocked, lockbox, sweep or collection account.

7.2.2. Cash Collateral

. Cash Collateral may be invested, at Lender's discretion (and with the consent of Borrower, as long as no Event of Default exists), but Lender shall have no duty to do so, regardless of any agreement or course of dealing with Borrower, and Lender shall have no responsibility for any investment or loss. As security for its Obligations, Borrower hereby grants to Lender a security interest in and Lien upon all Cash Collateral held from time to time and all proceeds thereof, whether held in a Cash Collateral Account or otherwise. Lender may apply Cash Collateral to the payment of Obligations as they become due, in such order as Lender may elect. Each Cash Collateral Account and all Cash Collateral shall be under the sole dominion and control of Lender, and no Borrower or other Person shall have no right to any Cash Collateral, until full payment of the Obligations.

7.3. Reserved.

7.4. Other Collateral

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7.4.1. Commercial Tort Claims

. Borrower shall promptly notify Lender in writing if Borrower has a Commercial Tort Claim, and shall take such actions as Lender deems appropriate to subject such claim to a duly perfected, first priority Lien in favor of Lender.

7.4.2. Certain After-Acquired Collateral

. Borrower shall promptly notify Lender in writing if, after the Closing Date, Borrower obtains any interest in any Collateral and shall promptly take such actions as Lender deems appropriate to effect Lender's duly perfected, first priority Lien upon such Collateral, including obtaining any appropriate possession, control agreement or Lien Waiver. If any Collateral is in the possession of a third party, at Lender's request, Borrower shall obtain an acknowledgment that such third party holds the Collateral for the benefit of Lender.

7.5. Limitations

. The Lien on Collateral granted hereunder is given as security only and shall not subject Lender to, or in any way modify, any obligation or liability of Borrower relating to any Collateral.

7.6. Further Assurances; Extent of Liens

. All Liens granted to Lender under the Loan Documents are for the benefit of Secured Parties. Promptly upon request, Borrower shall deliver such instruments and agreements, and shall take such actions, as Lender deems appropriate under applicable law to evidence or perfect its Lien on any Collateral, or otherwise to give effect to the intent of this Agreement. Borrower authorizes Lender to file any financing statement that describes the Collateral as "all assets" or "all personal property" of Borrower, or words to similar effect, and ratifies any action taken by Lender before the Closing Date to effect or perfect its Lien on any Collateral.

SECTION 8. COLLATERAL ADMINISTRATION

8.1. Borrowing Base Reports

. By the 15th day of each month, Borrower shall deliver to Lender a Borrowing Base Report as of the close of business of the previous month, and at such other times as Lender may request; provided, that, during an Increased Reporting Trigger Period, Borrower shall deliver to Lender a weekly gross Accounts report on or before the Tuesday of each week, reflecting all outstanding Accounts of Borrower as of the end of the preceding week. All information (including calculation of Availability or Average Daily Availability) in a Borrowing Base Report shall be certified by Borrower. During an Increased Reporting Trigger Period, Lender will have discretion to require Borrower to apply payments to invoices prior to cash being remitted from Affiliated Distributors. Outside of an Increased Reporting Trigger Period, Lender, in Lender's good faith credit judgment, reasonably exercised, may from time to time adjust such report to reflect Lender's reasonable estimate of declines in value of Collateral, due to collections received in the Dominion Account, held by Affiliated Distributors. Lender may from time to time adjust such report (a) to adjust advance rates to reflect changes in dilution, quality, mix and other factors affecting Collateral and (b) to the extent any information or calculation does not comply with this Agreement.

8.2. Accounts

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8.2.1. Records and Schedules of Accounts

. Borrower shall provide to Lender, on or before the 15th day of each month, (a) a consolidated detailed aged trial balance of all Accounts as of the end of the preceding month, specifying each Account's Account Debtor name and address, amount, invoice date and due date, showing any discount, allowance, credit, authorized return or dispute, and including such proof of delivery, copies of invoices and invoice registers, copies of related documents, repayment histories, status reports and other information as Lender may reasonably request; provided, that, with respect to Eligible Accounts, the foregoing information shall be delivered on a weekly basis by the Tuesday of each week for the immediately preceding week; and (b) a monthly roll forward report of all Accounts from the previous month. If Accounts in an aggregate face amount of $50,000 or more cease to be Eligible Accounts, Borrower shall notify Lender of such occurrence promptly (and in any event within one (1) Business Day) after Borrower has knowledge thereof.

8.2.2. Account Verification

. Lender shall have the right at any time, in the name of Lender, any designee of Lender or Borrower, to verify the validity, amount or any other matter relating to any Accounts of Borrower by mail, telephone or otherwise.

8.2.3. Maintenance of Dominion Account

. Borrower shall maintain the Dominion Account pursuant to lockbox or other arrangements acceptable to Lender establishing Lender's control over and Lien in the lockbox and the Dominion Account, and requiring immediate deposit of all remittances received in the lockbox to the Dominion Account.

8.2.4. Proceeds of Collateral

. Borrower shall request in writing and otherwise take all necessary steps to ensure that all payments on Accounts or otherwise relating to Collateral are made directly to the Dominion Account (or a lockbox relating to the Dominion Account). If Borrower receives cash or Payment Items with respect to any Collateral, it shall hold same in trust for Lender and promptly (not later than the next Business Day) deposit same into the Dominion Account.

8.3. Inventory

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8.3.1. Records and Reports of Inventory

. Borrower shall keep accurate and complete records of its Inventory, including costs and daily withdrawals and additions, and shall submit to Lender inventory and reconciliation reports, in form and substance satisfactory to Lender, on or before the 15th day of each month, and such inventory and reconciliation reports shall be prepared as of the preceding month. Borrower shall conduct a physical inventory at least once per calendar year (and on a more frequent basis if requested by Lender when an Event of Default exists) and periodic cycle counts consistent with historical practices, and shall provide to Lender a report based on each such inventory and count promptly upon completion thereof, together with such supporting information as Lender may request. Lender may participate in and observe each physical count.

8.3.2. Returns of Inventory

. No Borrower shall return any Inventory to a supplier, vendor or other Person, whether for cash, credit or otherwise, unless (a) such return is in the ordinary course of business; (b) no Event of Default or Overadvance exists or would result therefrom; (c) Lender is promptly notified of the aggregate Value of all Inventory returned in each month; and (d) any payment received by Borrower for a return is promptly remitted to Lender for application to the Obligations.

8.3.3. Acquisition, Sale and Maintenance

. Borrower shall not acquire or accept any Inventory on consignment or approval, and shall take all steps to assure that all Inventory is produced in accordance with applicable law, including the Fair Labor Standards Act of 1938 (the "FLSA"). Borrower shall not sell any Inventory on consignment or approval or any other basis under which the customer may return or require Borrower to repurchase such Inventory. Borrower shall use, store and maintain all Inventory with reasonable care and caution, in accordance with applicable standards of any insurance and in conformity with all applicable law, and shall make current rent payments (within applicable grace periods provided for in leases) at all locations where any Collateral is located.

8.4. Equipment

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8.4.1. Records and Schedules of Equipment

. Borrower shall keep accurate and complete records of its Equipment, and shall submit to Lender a current schedule thereof, at the times and in form satisfactory to Lender. Promptly upon request, Borrower shall deliver to Lender evidence of their ownership or interests in any Equipment.

8.4.2. Dispositions of Equipment

. No Borrower shall sell, lease or otherwise dispose of any Equipment, without the prior written consent of Lender, other than replacement of Equipment that is worn, damaged or obsolete with Equipment of like function and value, if the replacement Equipment is acquired substantially contemporaneously with such disposition and is free of Liens.

8.4.3. Condition of Equipment

. The Equipment is and will remain in good operating condition and repair, and all necessary replacements and repairs have been and will be made so that the value and operating efficiency of the Equipment is preserved at all times, reasonable wear and tear excepted. Borrower shall not permit any Equipment to become affixed to real Property unless any landlord or mortgagee delivers a Lien Waiver.

8.5. Deposit Accounts

. **Schedule 8.5** shows all Deposit Accounts maintained by Borrower, including the Dominion Accounts have been identified to Lender in writing. Borrower shall take all actions necessary to establish Lender's control of each such Deposit Account (other than an account exclusively used for payroll, payroll taxes or employee benefits. Borrower shall be the sole account holder of each Deposit Account and shall not allow any other Person (other than Lender) to have control over a Deposit Account or any Property deposited therein. Borrower shall promptly notify Lender in writing of any opening or closing of a Deposit Account.

8.6. General Provisions

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8.6.1. Location of Collateral

. All tangible items of Collateral shall at all times be kept by Borrower at the business locations disclosed in writing to Lender on **Schedule 8.6.1**, except that Borrower may (a) make sales or other dispositions of Collateral in the ordinary course of business for fair market value; and (b) move Collateral to another location upon 30 Business Days prior written notice to Lender.

8.6.2. Insurance of Collateral; Condemnation Proceeds.

(a) Borrower shall maintain insurance with respect to the Collateral, covering casualty, hazard, theft, malicious mischief, flood and other risks, in amounts, with endorsements and with insurers satisfactory to Lender. All proceeds under each policy shall be payable to Lender. Upon Lender's request, Borrower shall deliver to Lender the originals or certified copies of its insurance policies, updated flood plain searches and other information relating to Borrower's insurance and insurance policies. Each policy shall include endorsements satisfactory to Lender. If Borrower fails to provide and pay for any insurance, Lender may, at its option, but shall not be required to, procure the insurance and charge Borrower therefor. Without limiting the foregoing, (i) any increase, extension, or renewal of the credit facility provided pursuant to this Agreement shall be subject to flood insurance due diligence and flood insurance compliance reasonably satisfactory to Lender, and (ii) in the event that any Real Estate is pledged or mortgaged as Collateral for the Obligations, and such Real Estate is located in a special flood hazard zone, Borrower shall maintain insurance with respect to the Real Estate covering

flood and other risks, in amounts (including as required by Flood Insurance Laws) and with endorsements and with insurers satisfactory to Lender.

(b) Any proceeds of insurance (other than proceeds from workers' compensation or D&O insurance) and any awards arising from condemnation of any Collateral shall be paid to Lender and shall be applied to payment of the Revolver Loans, and then to other Obligations. Subject to clause (c) below, any proceeds or awards that relate to Equipment or Real Estate shall be applied first to the Revolver Loans and then to other Obligations.

(c) If requested by Borrower in writing within 15 days after Lender's receipt of any insurance proceeds or condemnation awards relating to any loss or destruction of Equipment or Real Estate, Borrower may use such proceeds or awards to repair or replace such Equipment or Real Estate (and until so used, the proceeds shall be held by Lender as Cash Collateral) as long as (i) no Event of Default exists; (ii) such repair or replacement is promptly undertaken and concluded, in accordance with plans satisfactory to Lender; (iii) replacement buildings are constructed on the sites of the original casualties and are of comparable size, quality and utility to the destroyed buildings; (iv) the repaired or replaced Property is free of Liens, other than Permitted Liens that are not purchase money Liens; (v) Borrower complies with disbursement procedures for such repair or replacement as Lender may reasonably require; and (vi) the aggregate amount of such proceeds or awards from any single casualty or condemnation does not exceed $50,000.

8.6.3. Protection of Collateral

. All expenses of protecting, storing, warehousing, insuring, handling, maintaining and shipping any Collateral, all taxes or Royalties payable with respect to any Collateral (including any sale thereof), and all other payments required to be made by Lender to any Person to realize upon any Collateral, shall be borne and paid by Borrower.

8.6.4. Defense of Title

. Borrower shall defend its title to Collateral and Lender's Liens therein against all Persons, claims and demands, except Permitted Liens.

8.7. Power of Attorney

. Borrower hereby irrevocably constitutes and appoints Lender (and all Persons designated by Lender) as Borrower's true and lawful attorney (and agent-in-fact) for the purposes provided in this Section. Lender, or Lender's designee, may, without notice and in either its or Borrower's name, but at the cost and expense of Borrower:

(a) Endorse Borrower's name on any Payment Item or other proceeds of Collateral (including proceeds of insurance) that come into Lender's possession or control; and

(b) During an Event of Default, (i) notify any Account Debtors of the assignment of their Accounts, demand and enforce payment of Accounts, by legal proceedings or otherwise, and generally exercise any rights and remedies with respect to Accounts; (ii) settle, adjust, modify, compromise, discharge or release any Accounts or other Collateral, or any legal proceedings brought to collect Accounts or Collateral; (iii) sell or assign any Accounts and other Collateral upon such terms, for such amounts and at such times as Lender deems advisable; (iv) collect, liquidate and receive balances in Deposit Accounts or investment accounts, and take control, in any manner, of proceeds of Collateral; (v) endorse any Chattel Paper, Document, Instrument, bill of lading, or other document or agreement relating

to any Accounts, Inventory or other Collateral; and (vi) take all other actions as Lender deems appropriate to fulfill Borrower's obligations under the Loan Documents.

SECTION 9. REPRESENTATIONS AND WARRANTIES

9.1. General Representations and Warranties

. To induce Lender to enter into this Agreement and to make available the Commitments, Loans and Letters of Credit, Borrower represents and warrants that:

9.1.1. Organization and Qualification

. Borrower is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Borrower is duly qualified, authorized to do business and in good standing as a foreign corporation in each jurisdiction where failure to be so qualified could reasonably be expected to have a Material Adverse Effect, in each case subject to the entry of the Confirmation Order.

9.1.2. Power and Authority

. Borrower is duly authorized to execute, deliver and perform its Loan Documents. Subject to the entry of the Confirmation Order, the execution, delivery and performance of the Loan Documents have been duly authorized by all necessary action, and do not violate or cause a default under any of Borrower's organizational documents or under any applicable law, License, or contract or agreement to which any Obligor is a party.

9.1.3. Enforceability

. Each Loan Document is a legal, valid and binding obligation of Borrower, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

9.1.4. Capital Structure

. **Schedule 9.1.4** shows, for Borrower, its name, jurisdiction of organization, and holders of its equity or similar ownership interests. Except as disclosed in writing to Lender on **Schedule 9.1.4**, in the five years preceding the Closing Date, Borrower has not acquired any substantial assets from any other Person nor been the surviving entity in a merger or combination.

9.1.5. Title to Properties; Priority of Liens

. Borrower has good and marketable title to (or valid leasehold interests in) all of its Real Estate, and good title to all of its personal Property in each case free of Liens except for Permitted Liens. Borrower has paid and discharged all lawful claims that, if unpaid, could become a Lien on its Properties, other than Permitted Liens. All Liens of Lender in the Collateral are duly perfected, first priority Liens, subject only to Permitted Liens that are expressly allowed to have priority over Lender's Liens.

9.1.6. Accounts

. Lender may rely, in determining which Accounts are Eligible Accounts, on all statements and representations made by Borrower with respect thereto. Borrower warrants, with respect to each Account at the time it is shown as an Eligible Account in a Borrowing Base Report, that:

(a) it is genuine and in all respects what it purports to be;

(b) it arises out of a completed, *bona fide* sale and delivery of goods or rendition of services in the ordinary course of business, and substantially in accordance with any purchase order, contract or other document relating thereto;

(c) it is for a sum certain, maturing as stated in the applicable invoice, a copy of which has been furnished or is available upon request to Lender;

(d) it is not subject to any offset, Lien (other than Lender's Lien), deduction, defense, dispute, counterclaim or other adverse condition except as arising in the ordinary course of business and disclosed to Lender; and it is absolutely owing by the Account Debtor;

(e) no purchase order, agreement, document or applicable law restricts assignment of the Account to Lender (regardless of whether, under the UCC, the restriction is ineffective), and the applicable Borrower is the sole payee or remittance party shown on the invoice;

(f) no extension, compromise, settlement, modification, credit, deduction or return has been authorized or is in process with respect to the Account, except discounts or allowances granted in the ordinary course of business for prompt payment that are reflected on the face of the invoice related thereto and in the reports submitted to Lender hereunder; and

(g) to the best of Borrower's knowledge, (i) there are no facts or circumstances that are reasonably likely to impair the enforceability or collectability of such Account; (ii) the Account Debtor had the capacity to contract when the Account arose, continues to meet the applicable Borrower's customary credit standards, is solvent, and has not failed, or suspended or ceased doing business; and (iii) there are no proceedings or actions threatened or pending against any Account Debtor that could reasonably be expected to have a material adverse effect on the Account Debtor's financial condition.

9.1.7. Financial Statements

. The consolidated and consolidating balance sheet, and related statements of income, cash flow and shareholders' equity, of Borrower that have been and are hereafter delivered to Lender, are prepared in accordance with GAAP, and fairly present the financial positions and results of operations of Borrower in all material respects at the dates and for the periods indicated. All projections delivered from time to time to Lender have been prepared in good faith, based on reasonable assumptions in light of the circumstances at such time. Since December 31, 2017, there has been no change in the condition, financial or otherwise, of Borrower that could reasonably be expected to have a Material Adverse Effect (it being understood that the commencement and continuance of the Cases, events attendant thereto, and consummation of the Chapter 11 Plan and the transactions contemplated thereby shall not be deemed to be or result in a Material Adverse Effect). No financial statement delivered to Lender at any time contains any untrue statement of a material fact, nor fails to disclose any material fact necessary to make such statement not materially misleading. Borrower is solvent.

9.1.8. Surety Obligations

. No Borrower is obligated as surety or indemnitor under any bond or other contract that assures payment or performance of any obligation of any Person, except as permitted hereunder.

9.1.9. Taxes

. Borrower has filed all federal, state and local tax returns and other reports that it is required by law to file, and has paid, or made provision for the payment of, all taxes upon it, its income and its Properties that are due and payable.

9.1.10. Brokers

. There are no brokerage commissions, finder's fees or investment banking fees payable in connection with any transactions contemplated by the Loan Documents.

9.1.11. Intellectual Property

. Borrower owns or has the lawful right to use all intellectual and similar property necessary for the conduct of its business, without conflict with any rights of others. There is no pending or, to Borrower's knowledge, threatened claim with respect to Borrower or any of its Property (including any intellectual property). Except as disclosed on **Schedule 9.1.11**, no Borrower pays or owes any License, Royalty or other compensation to any Person with respect to use or License of any intellectual property. All intellectual property owned, used or licensed by, or otherwise subject to any interests of, Borrower has been disclosed on **Schedule 9.1.11**.

9.1.12. Governmental Approvals

. Borrower has, is in compliance with, and is in good standing with respect to, all governmental approvals necessary to conduct its business and to own, lease and operate its Properties.

9.1.13. Compliance with Laws

. Borrower has duly complied, and its Properties and business operations are in compliance, in all material respects with all applicable laws. There have been no citations, notices or orders of material noncompliance issued to Borrower under any applicable law. No Inventory has been produced in violation of the FLSA.

9.1.14. Compliance with Environmental Laws

. Except as disclosed on **Schedule 9.1.14**, no Borrower's past or present operations, Real Estate or other Properties are not subject to any federal, state or local investigation to determine whether any remedial action is needed to address any environmental pollution, hazardous material or environmental clean-up. No Borrower has received any notice regarding any violation of environmental laws. No Borrower has any contingent liability with respect to any violation of any environmental law, environmental pollution or hazardous material on any Real Estate now or previously owned, leased or operated by it.

9.1.15. Burdensome Contracts

. No Borrower is a party or subject to any contract, agreement or charter restriction that could reasonably be expected to have a Material Adverse Effect. No Borrower is a party or subject to any Restrictive Agreement, except as shown on **Schedule 9.1.15**. No such Restrictive Agreement prohibits the execution, delivery or performance of any Loan Document by Borrower.

9.1.16. Litigation

. Except as shown disclosed in writing to Lender on **Schedule 9.1.16**, there are no proceedings or investigations or any litigation pending or, to Borrower's knowledge, threatened against

Borrower, or any of their businesses, operations, Properties, prospects or conditions. Except as disclosed in writing to Lender, Borrower has no Commercial Tort Claim. No Borrower is in default with respect to any order, injunction or judgment of any governmental authority.

9.1.17. No Defaults

. No event or circumstance has occurred or exists that constitutes an Event of Default. No Borrower is in default, and no event or circumstance has occurred or exists that with the passage of time or giving of notice would constitute a default, under any contract or agreement to which Borrower is a party or in the payment of any Borrowed Money. There is no basis upon which any party (other than Borrower) could terminate a contract or agreement prior to its scheduled termination date.

9.1.18. ERISA

. Except as disclosed in writing to Lender on **Schedule 9.1.18**:

(a) Each ERISA Plan is in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code, and other federal and state laws. "ERISA" means the Employee Income Retirement Security Act of 1974, as amended from time to time. Capitalized terms used in this **Section 9.1.18** have the meanings given to them in ERISA (except as otherwise defined in this Agreement).

(b) There are no pending or, to the knowledge of Borrower, threatened claims, actions or lawsuits, or action by any governmental authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted in or could reasonably be expected to have a Material Adverse Effect.

(c) There has been no Reportable Event that might constitute grounds for termination of any Plan by the Pension Benefit Guaranty Corporation or for the appointment by any United States District Court of any trustee to administer any Plan.

9.1.19. Trade Relations

. There exists no actual or threatened termination, limitation or modification of any business relationship between Borrower and any customer or supplier, or any group of customers or suppliers, who individually or in the aggregate are material to the business of Borrower. There exists no condition or circumstance that could reasonably be expected to impair the ability of Borrower to conduct its business at any time hereafter in substantially the same manner as conducted on the Closing Date.

9.1.20. Labor Relations

. Except as set forth on **Schedule 9.1.20**, no Borrower is party to or bound by any collective bargaining agreement, management agreement or consulting agreement. There are no material grievances, disputes or controversies with any union or other organization of Borrower's employees, or, to Borrower's knowledge, any asserted or threatened strikes, work stoppages or demands for collective bargaining.

9.1.21. Payable Practices

. No Borrower has made any material change in its historical accounts payable practices from those in effect on the Closing Date.

9.2. Complete Disclosure

. No Loan Document contains any untrue statement of a material fact, nor fails to disclose any material fact necessary to make the statements contained therein not materially misleading. There is no fact or circumstance that Borrower has failed to disclose to Lender in writing that could reasonably be expected to have a Material Adverse Effect.

SECTION 10. COVENANTS AND CONTINUING AGREEMENTS

10.1. Affirmative Covenants

. As long as any Commitment or Obligations are outstanding, Borrower shall:

10.1.1. Inspections; Appraisals

.

(a) Permit Lender to visit and inspect Borrower's Properties, inspect, audit and make extracts from Borrower's and records, and discuss with its officers, employees, agents, advisors and independent accountants Borrower's business, financial condition, assets, prospects and results of operations. Borrower acknowledgess that all inspections, appraisals and reports are prepared by Lender for its purposes, and Borrower shall not be entitled to rely upon them.

(b) Reimburse Lender for all its reasonable charges, costs and expenses incurred in connection with (i) examinations of Borrower's books and records or any other financial or Collateral matters as it deems appropriate, up to (x) one (1) time per Loan Year if no Increased Examination Trigger Period occurs during such Loan Year, and (y) two (2) times per Loan Year if an Increased Examination Trigger Period occurs during such Loan Year, and (ii) appraisals of Inventory, up to one (1) time per Loan Year; provided, however, that if an examination or appraisal is initiated during an Event of Default, all charges, costs and expenses relating thereto shall be reimbursed by Borrower without regard to such limits. Borrower shall pay Lender's then standard charges for examination activities, including charges for its internal examination and appraisal groups, as well as the charges of any third party used for such purposes. No Borrowing Base calculation shall include Collateral acquired outside the ordinary course of business. There shall be no limit to the number of examinations or appraisals conducted by Lender while there exists a Default or Event of Default.

10.1.2. Financial and Other Information

. Keep adequate records and books of account with respect to its business activities, and furnish to Lender:

(a) as soon as available, and in any event within 90 days after the close of each Fiscal Year, balance sheets as of the end of such Fiscal Year and the related statements of income, cash flow and shareholders' equity on a consolidated and consolidating basis for Borrower and its Subsidiaries, which consolidated statements shall be audited by a firm of independent certified public accountants of

recognized standing selected by Borrower and acceptable to Lender in its discretion, and shall include all consolidating schedules and set forth comparative corresponding figures for the preceding Fiscal Year;

(b) as soon as available, and in any event within 45 days after the end of each Fiscal Quarter, unaudited balance sheets as of the end of such Fiscal Quarter and the related statements of income and cash flow for such Fiscal Quarter and for the portion of the Fiscal Year then elapsed, on consolidated and consolidating basis for Borrower, setting forth in comparative form corresponding figures for the preceding Fiscal Year and certified by an authorized officer of Borrower as prepared in accordance with GAAP and fairly presenting the financial position and results of operations for such month and period, subject to normal year-end adjustments and the absence of footnotes;

(c) as soon as available, and in any event within 30 days after the end of each month,, unaudited balance sheets as of the end of such month and the related statements of income and cash flow for such month and for the portion of the Fiscal Year then elapsed, on consolidated and consolidating basis for Borrower, setting forth in comparative form corresponding figures for the preceding Fiscal Year and certified by an authorized officer of Borrower as prepared in accordance with GAAP and fairly presenting the financial position and results of operations for such month and period, subject to normal year-end adjustments and the absence of footnotes;

(d) concurrently with delivery of financial statements under clauses (a) and (b) above, or more frequently if requested by Lender while an Event of Default exists, a Compliance Certificate executed by the an authorized officer of Borrower;

(e) concurrently with delivery of financial statements under clause (a) above, copies of all management letters and other material reports submitted to Borrower by its accountants in connection with such financial statements;

(f) concurrently with delivery of Borrower's Borrowing Base Reports delivered pursuant to **Section 8.1** above, a listing of Borrower's trade payables, specifying the trade creditor and balance due, and a detailed trade payable aging, all in form reasonably satisfactory to Lender;

(g) not later than 60 days prior the end of each Fiscal Year, projections of Borrower's consolidated balance sheets, results of operations, cash flow and Availability for the next Fiscal Year, covering a time period acceptable to Lender month by month; and

(h) such other reports and information (financial or otherwise) as Lender may request from time to time in connection with any Collateral or Borrower's, or other Obligor's financial condition or business.

10.1.3. Notices

. Notify Lender in writing promptly of any of the following that affects Borrower: (a) the threat or commencement of any lawsuit, proceeding or investigation; (b) any pending or threatened labor dispute, strike or walkout; (c) any default under or termination of a material contract, License or other agreement; (d) the existence any Event of Default; (e) any judgment in any amount; (f) any violation or asserted violation of any applicable law (including ERISA, FLSA, or any federal, state or local environmental laws); (h) any environmental contamination or pollution by Borrower or on any Property owned, leased or occupied by Borrower; or receipt of any notice of violation of any environmental law; (i) the occurrence of any ERISA Event; (j) the discharge of or any withdrawal or resignation by Borrower's independent accountants; or (k) any opening of a new office or place of business, at least 30 days prior to such opening.

10.1.4. Landlord and Storage Agreements

. Upon request, provide Lender with copies of all existing agreements, and promptly after execution thereof provide Lender with copies of all future agreements, between Borrower and any landlord, warehouseman, processor, shipper, bailee or other Person that owns any premises at which any Collateral may be kept or that otherwise may possess or handle any Collateral.

10.1.5. Compliance with Laws

. Comply with all laws applicable to the conduct of Borrower's business, including ERISA, all environmental laws, FLSA, laws regarding anti-terrorism, and laws regarding collection and payment of taxes, and maintain all governmental approvals necessary to the ownership of its Properties or conduct of its business. If any environmental contamination or pollution occurs at or on any Properties of Borrower, it shall act promptly and diligently to investigate and report to Lender and all appropriate governmental authorities the extent of, and to make appropriate remedial action to eliminate, such contamination or pollution, whether or not directed to do so by any governmental authority.

10.1.6. Taxes

. Pay and discharge all taxes prior to the date on which they become delinquent or penalties attach.

10.1.7. Insurance

. In addition to the insurance required hereunder with respect to Collateral, maintain insurance with insurers satisfactory to Lender, (a) with respect to the Properties and business of Borrower of such type, in such amounts, and with such coverages and deductibles as are customary for companies similarly situated; and (b) business interruption insurance in an amount not less than the amount of insurance maintained by Borrower as of the Closing Date, with deductibles and subject to endorsements and assignments satisfactory to Lender.

10.1.8. Reserved.

10.1.9. Depository Bank. Maintain Lender as its sole depository bank, including for the maintenance of all operating, collection, disbursement and other deposit accounts and for all Cash Management Services.

10.1.10. Future Subsidiaries. Promptly notify Lender upon any Person becoming a Subsidiary and, if such Person is not a Foreign Subsidiary, cause it to guaranty the Obligations in a manner satisfactory to Lender, and to execute and deliver such documents, joinders, instruments and agreements and to take such other actions as Lender shall require to evidence and perfect a Lien in favor of Lender on all assets of such Person, including delivery of such legal opinions, in form and substance satisfactory to Lender, as it shall deem appropriate.

10.2. Negative Covenants

. As long as any Commitment or Obligations are outstanding, Borrower shall not, without Lender's prior written consent:

10.2.1. Debt

. Create, incur, guarantee or suffer to exist any debt, or contingent liabilities except:

(a) the Obligations;

(b) trade payables incurred in the ordinary course of business on normal trade credit;

(c) liabilities and leases in existence on the Closing Date and disclosed in writing to Lender on **Schedule 10.2.1**;

(d) Bank Product Debt incurred in the ordinary course of business; and

(e) debt arising from Borrower's pension withdrawal liability, not to exceed $2,000,000, which pension withdrawal liability, as it relates to Borrower's Bay Shore, New York facility, shall be payable in equal quarterly installments over not less than seventy-two (72) Fiscal Quarters.

10.2.2. Permitted Liens

. Create or suffer to exist any Lien upon any of its Property, except the following (collectively, "Permitted Liens"):

(a) Liens in favor of Lender;

(b) Liens for taxes not yet due;

(c) easements, rights-of-way, restrictions, covenants or other agreements of record, and other similar charges or encumbrances on Real Estate, that do not secure any monetary obligation and do not interfere with Borrower's ordinary course of business; and

(d) Liens existing on the Closing Date and disclosed to Lender in writing on **Schedule 10.2.2**;

10.2.3. Reserved.

10.2.4. Distributions

. Declare or make payment of any distributions, interest or dividend on the stock, Equity Interest or other ownership interests of Borrower or repurchase any stock or other ownership interests from any holder, except (i) payments in respect of Tax Distributions so long as, prior to and after giving effect to such Tax Distributions, no Default or Event of Default exists or is caused thereby, (ii) payments for other distributions to holders of Equity Interests in Borrower so long as the Restricted Payment Conditions are satisfied.

10.2.5. Acquisitions and Investments

. (i) Acquire a business, division or substantially all the assets of any Person, (ii) acquire 50% or more of the equity or other ownership interests of any Person or (iii) have existing or make any investment in or make any capital contribution or other transfer of assets to any Person except;

(a) investments existing on the Closing Date and disclosed in writing to Lender;

(b) investments in certificates of deposit;

(c) United States treasury bills or other obligations of the United States government; and

(d) to the extent not otherwise permitted under any of the foregoing provisions, acquisitions or investments made after the Closing Date so long as the Restricted Payment Conditions are satisfied.

10.2.6. Disposition of Business or Assets

. Make any sale, assignment, lease, transfer or other disposition of Borrower's business or assets except in the ordinary course of business for fair market value.

10.2.7. Loans

. Make any loans or other advances of money to any Person.

10.2.8. Restrictions on Payment of Debt

. Make any payments (whether voluntary or mandatory, or a prepayment, redemption, retirement, defeasance or acquisition) with respect to:

(a) any Subordinated Debt (other than the Asbestos Trust Note and the 4 Site Debt Documents) without the prior written consent of Lender, or as set forth in the applicable subordination agreement relating to such Subordinated Debt;

(b) the 4 Site Debt Documents, other than Permitted 4 Site Payments;

(c) the Asbestos Trust Note, other than Permitted Asbestos Trust Note Payments and the Permitted Asbestos Trust Earn Outs; and

(d) any Borrowed Money (other than the Obligations, the Subordinated Debt, which Subordinated Debt shall be subject to the foregoing clause (a), or the Asbestos Trust Note, which Asbestos Trust Note shall be subject to the foregoing clause (c), or the 4 Site Debt Documents, which 4 Site Debt Documents shall be subject to foregoing clause (b) prior to its due date under the agreements evidencing such debt as in effect on the Closing Date and disclosed in writing to Lender (or as amended thereafter with the consent of Lender).

10.2.9. Fundamental Changes

. Change its name or conduct business under any fictitious name; change its tax, charter or other organizational identification number; change its form or state of organization; liquidate, wind up its affairs or dissolve itself; or merge, combine or consolidate with any Person.

10.2.10. Subsidiaries

. Except as provided in **Section 10.1.10**, form or acquire any subsidiary after the Closing Date.

10.2.11. Organic Documents

. Amend, modify or otherwise change any of its organizational documents or agreements.

10.2.12. Tax Consolidation

. File or consent to the filing of any consolidated income tax return with any Person.

10.2.13. Accounting Changes

. Make any material change in accounting treatment or reporting practices, except as required by GAAP and in accordance with **Section 1.2**; or change its Fiscal Year.

10.2.14. Restrictive Agreements

. Be or become a party to any agreement that conditions or restricts the right of Borrower to incur or repay the Obligations or to grant Liens on the assets of Borrower, except (a) in effect on the Closing Date and disclosed in writing to Lender on **Schedule 10.2.14**; or (b) constituting customary restrictions on assignment in leases and other contracts.

10.2.15. Hedging Agreements

. Enter into any Hedging Agreement, except to hedge risks arising in the ordinary course of business and not for speculative purposes.

10.2.16. Conduct of Business

. Engage in any business, other than its business as conducted on the Closing Date and any activities incidental thereto.

10.2.17. Affiliate Transactions

. Enter into or be party to any transaction with an Affiliate or a Subsidiary except (a) transactions expressly permitted by the Loan Documents; (b) payment of reasonable compensation, benefits and employment incentives to officers and employees for services actually rendered, and payment of customary directors' fees and indemnities; (c) transactions in the ordinary course of business and on upon fair and reasonable terms and no less favorable than would be obtained in a comparable arm's-length transaction with a non-Affiliate; (d) transactions with Affiliates consummated prior to the Closing Date, as shown on **Schedule 10.2.17**.

10.2.18. Plans

. Become party to any ERISA Plan, other than any in existence on the Closing Date and disclosed in writing to Lender.

10.2.19. Change of Management or Control.

(a) Permit, or suffer to exist, Randall Hinden's failure to serve as Borrower's Chief Executive Officer or Patrick Rosetto's failure to serve as Borrower's President and such personnel change is not promptly, but in any event within thirty (30) days of such material change replaced with personnel satisfactory to Lender, or (b) permit or suffer a Change of Control.

10.2.20. Confirmation Order

. Borrower has delivered to Lender a complete and correct copy of the Chapter 11 Plan and the Confirmation Order (including all schedules, exhibits, amendments, supplements, modifications,

assignments and all other documents delivered pursuant thereto or in connection therewith). Borrower is not in default in the performance of or compliance with any provisions of the Chapter 11 Plan. The Chapter 11 Plan is in full force and effect as of the date hereof and has not been terminated, rescinded or withdrawn, and substantially concurrently with the effectiveness of this Agreement, the Effective Date has occurred. The Confirmation Order is a Final Order and is in full force and effect, and has not been stayed, or amended or modified in any material respect without the consent of Agents. All conditions to confirmation and effectiveness of the Chapter 11 Plan have been satisfied or validly waived pursuant to the Chapter 11 Plan (other than conditions consisting of the effectiveness of this Agreement). No court of competent jurisdiction has issued any injunction, restraining order or other order which prohibits consummation of any material transactions described in the Confirmation Order and no governmental or other action or proceeding has been commenced, seeking any injunction, restraining order or other order which seeks to void or otherwise modify the transactions described in the Confirmation Order.

10.2.21. Amendments to Subordinated Debt and Asbestos Trust Note

. Amend, supplement or otherwise modify the Asbestos Trust Note, the 4 Site Debt Documents or any *other* document, instrument or agreement relating to any Subordinated Debt, if such modification (a) increases the principal balance of such debt, or increases any required payment of principal or interest; (b) accelerates the date on which any installment of principal or any interest is due, or adds any additional redemption, put or prepayment provisions; (c) shortens the final maturity date or otherwise accelerates amortization; (d) increases the interest rate; (e) increases or adds any fees or charges; (f) modifies any covenant in a manner or adds any representation, covenant or default that is more onerous or restrictive in any material respect for Borrower, or that is otherwise materially adverse to Borrower or Lender; or (g) results in the Obligations not being fully benefited by the subordination provisions thereof.

10.2.22. Affiliated Distributors

. Change any password or otherwise prohibit or interfere with Lender's access to the vendor portal maintained by Affiliated Distributors permitting Borrower and Lender with visibility to collections of Borrower's Accounts by Affiliated Distributors.

10.3. Financial Covenants.

As long as any Commitment or Obligations are outstanding, Borrower shall, on a consolidated basis:

10.3.1. Fixed Charge Coverage Ratio

. During a Financial Covenant Trigger Period, maintain a Fixed Charge Coverage Ratio of at least 1.0:1.0, determined as of the last day of each Fiscal Quarter for the trailing four quarter period then ended.

Compliance with the foregoing shall be evidenced by delivery of the Compliance Certificate required under **Section 10.1.2(c)**.

10.4. Equity Cure Right

. Notwithstanding anything in **Section 11.1** to the contrary, in the event that Borrower fails to comply with the financial covenant set forth in clause **Section 10.3** above, Borrower shall have the right to issue Permitted Cure Securities for cash or otherwise receive cash contributions to the capital of Borrower, and, in each case, any such cash proceeds thereof shall be deemed to increase EBITDA with

respect to such applicable trailing four quarter period (the "Cure Right"); provided, that: (i) notice of Borrower's intention to exercise the Cure Right shall be delivered no later than the earlier of (x) the then applicable date on which financial statements are required to be delivered and (y) the date such financial statements are actually delivered; (ii) the proceeds of such Permitted Cure Securities are actually received by Borrower no later than the date that is ten (10) days (the "Standstill Period") after the earlier of (x) the date for which financial statements are then required to be delivered and (y) the date such financial statements are actually delivered; (iii) in each four consecutive Fiscal Quarter period, Borrower shall not exercise the Cure Right more than one (1) time; (iv) Borrower shall not exercise the Cure Right more than three (3) times after the Closing Date; (v) the aggregate amount of Permitted Cure Securities issued in connection with the exercise of a Cure Right shall not be greater than the amount required to cause Borrower to be in pro forma compliance with the financial covenants set forth in **Section 10.3** for the applicable period of determination; (vi) during a Standstill Period and until Borrower actually receives the proceeds of the Permitted Cure Securities, no Revolving Loans shall be made and no Letter of Credit shall be issued, amended, extended or renewed; and (vii) such proceeds shall be applied to prepay the Obligations; provided, further that, for the avoidance of doubt, (x) during such Standstill Period, Lender will not exercise remedies with respect to such breach of **Section 10.3**, and (y) the parties hereby acknowledge that the Cure Right permitted under this **Section 10.4** is being provided solely for purposes of permitting compliance with the financial covenants in **Section 10.3** and may not be relied on for purposes of calculating any financial ratios, basket levels, pricing or items or conditions governed by the calculation of EBITDA other than as expressly set forth in this **Section 10.4** and shall not result in any adjustment to any amounts other than the amount of EBITDA for such purposes referred to in this **Section 10.4**. If, after giving effect to the foregoing pro forma adjustment, Borrower is in compliance with the financial covenants set forth in **Section 10.3**, Borrower shall be deemed to be in compliance with such financial covenant as of the relevant date(s) of determination with the same effect as though there had been no failure to satisfy such financial covenant on such date(s), and the applicable breach or default of **Section 10.3** that had occurred or would have occurred shall be deemed cured for purposes of this Agreement.

SECTION 11. EVENTS OF DEFAULT; REMEDIES ON DEFAULT

11.1. Events of Default

. Each of the following shall be an "Event of Default:"

(a) Borrower fails to pay its Obligations when due (whether at stated maturity, on demand, upon acceleration or otherwise);

(b) Any representation, warranty or other written statement of Borrower made in connection with any Loan Documents or transactions contemplated thereby is incorrect or misleading in any material respect when given;

(c) Borrower breaches or fails to perform any covenant contained in this Agreement or any Loan Documents;

(d) Any breach or default of Borrower occurs under (i) any Hedging Agreement; or (ii) any instrument or agreement to which it is a party or by which it or any of its Properties is bound;

(e) Any judgment or order for the payment of money is entered against Borrower;

(f) A loss, theft, damage or destruction occurs with respect to any Collateral;

(g) Borrower is enjoined, restrained or in any way prevented by any governmental authority from conducting any material part of its business; Borrower suffers the loss, revocation or termination of any material license, permit, lease or agreement necessary to its business; there is a cessation of any material part of Borrower's business for a material period of time; any material Collateral or Property of Borrower is taken or impaired through condemnation; Borrower agrees to or commences any liquidation, dissolution or winding up of its affairs; or Borrower is not solvent;

(h) An insolvency or bankruptcy proceeding is commenced by Borrower; Borrower makes an offer of settlement, extension or composition to its unsecured creditors generally; a trustee is appointed to take possession of any substantial Property of or to operate any of the business of Borrower; or an insolvency or bankruptcy proceeding is commenced against Borrower and: Borrower consents to institution of the proceeding, the petition commencing the proceeding is not dismissed within thirty (30) days of the petition date, or an order for relief is entered in the proceeding;

(i) A violation of ERISA occurs that has resulted or could reasonably be expected to result in liability of Borrower to a Plan or PBGC, or that constitutes grounds for appointment of a trustee for or termination by the PBGC of any Plan; or Borrower fails to pay when due any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan;

(j) Borrower or any of its senior officers is criminally indicted or convicted for (i) a felony committed in the conduct of Borrower's business, or (ii) violating any state or federal law (including the Controlled Substances Act, Money Laundering Control Act of 1986 and Illegal Exportation of War Materials Act) that could lead to forfeiture of any material Property or any Collateral; or

(k) A Change of Control occurs; or any event occurs or condition exists that has a Material Adverse Effect.

11.2. <u>Remedies upon Default</u>

. If an Event of Default described in **Section 11.1(h)** occurs, then to the extent permitted by applicable law, all Obligations shall become automatically due and payable and all Commitments shall terminate, without any action by Lender or notice of any kind. In addition, or if any other Event of Default exists, Lender may in its discretion do any one or more of the following from time to time:

(a) declare any Obligations immediately due and payable, whereupon they shall be due and payable without diligence, presentment, demand, protest or notice of any kind, all of which are hereby waived by Borrower to the fullest extent permitted by law;

(b) terminate, reduce or condition any Commitment, or adjust the Borrowing Base;

(c) require Borrower to Cash Collateralize all LC Obligations, Bank Product Debt and other Obligations that are contingent or not yet due and payable, and if Borrower fails to deposit such Cash Collateral, Lender may advance the required Cash Collateral as Revolver Loans; and

(d) exercise any other rights or remedies afforded under any agreement, by law, at equity or otherwise, including the rights and remedies of a secured party under the UCC. Such rights and remedies include the rights to (i) take possession of any Collateral; (ii) require Borrower to assemble Collateral, at Borrower's expense, and make it available to Lender at a place designated by Lender; (iii) enter any premises where Collateral is located and store Collateral on such premises until sold (and if the premises are owned or leased by Borrower, Borrower agrees not to charge for such storage); and (iv) sell or otherwise dispose of any Collateral in its then condition, or after any further manufacturing or

processing thereof, at public or private sale, with such notice as may be required by applicable law, in lots or in bulk, at such locations, all as Lender, in its discretion, deems advisable. Borrower agrees that 10 days' notice of any proposed sale or other disposition of Collateral by Lender shall be reasonable, and that any sale conducted on the internet or to a licensor of intellectual property shall be commercially reasonable. Lender may conduct sales on Borrower's premises, without charge, and any sales may be adjourned from time to time in accordance with applicable law. Lender shall have the right to sell, lease or otherwise dispose of any Collateral for cash, credit or any combination thereof, and Lender may purchase any Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of the purchase price, may set off the amount of such price against the Obligations.

11.3. License

. Lender is hereby granted an irrevocable, non-exclusive license or other right to use, license or sub-license (without payment of royalty or other compensation to any Person) any or all intellectual property of Borrower, computer hardware and software, trade secrets, brochures, customer lists, promotional and advertising materials, labels, packaging materials and other Property, in advertising for sale, marketing, selling, collecting, completing manufacture of, or otherwise exercising any rights or remedies with respect to, any Collateral. Borrower's rights and interests under intellectual property shall inure to Lender's benefit.

11.4. Setoff

. At any time during an Event of Default, Lender and its Affiliates are authorized, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations at any time owing by Lender or such Affiliate to or for the credit or the account of Borrower against its Obligations, whether or not Lender or such Affiliate shall have made any demand under this Agreement or any other Loan Document and although such Obligations may be contingent or unmatured or are owed to a branch or office of Lender or such Affiliate different from the branch or office holding such deposit or obligated on such indebtedness. The rights of Lender and each such Affiliate under this Section are in addition to other rights and remedies (including other rights of setoff) that such Person may have.

11.5. Remedies Cumulative; No Waiver

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11.5.1. Cumulative Rights. All agreements, warranties, guaranties, indemnities and other undertakings of Borrower under the Loan Documents are cumulative and not in derogation of each other. The rights and remedies of Lender under the Loan Documents are cumulative, may be exercised at any time and from time to time, concurrently or in any order, and are not exclusive of any other rights or remedies available by agreement, by law, at equity or otherwise. All such rights and remedies shall continue in full force and effect until full payment of all Obligations.

11.5.2. Waivers. No waiver or course of dealing shall be established by (a) the failure or delay of Lender to require strict performance by Borrower under any Loan Document, or to exercise any rights or remedies with respect to Collateral or otherwise; (b) the making of any Loan or issuance of any Letter of Credit during a Default, Event of Default or other failure to satisfy any conditions precedent; or (c) acceptance by Lender of any payment or performance by Borrower under any Loan Documents in a manner other than that specified therein. Any failure to satisfy a financial covenant on a measurement date shall not be cured or remedied by satisfaction of such covenant on a subsequent date.

SECTION 12. MISCELLANEOUS

12.1. Amendments and Waivers

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12.1.1. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Borrower, Lender, and their respective successors and assigns, except that Borrower shall not have the right to assign its rights or delegate its obligations under any Loan Documents.

12.1.2. Amendments and Other Modifications. No modification of any Loan Document, including any extension or amendment of a Loan Document or any waiver of an Event of Default, shall be effective without the prior written agreement of Lender and Borrower; provided, however, that only the consent of the parties to a Bank Product agreement shall be required for any modification of such agreement. Any waiver or consent granted by Lender shall be effective only if in writing, and only for the matter specified.

12.2. Indemnity

. **BORROWER SHALL INDEMNIFY AND HOLD HARMLESS LENDER, EACH OTHER SECURED PARTY AND THEIR OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, AGENTS AND ATTORNEYS (THE "INDEMNITEES") AGAINST ANY CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE, INCLUDING CLAIMS ASSERTED BY BORROWER OR ANY OTHER PERSON OR ARISING FROM THE NEGLIGENCE OF AN INDEMNITEE.** In no event shall any party to a Loan Document have any obligation thereunder to indemnify or hold harmless an Indemnitee with respect to a Claim that is determined in a final, non-appealable judgment by a court of competent jurisdiction to result from the gross negligence or willful misconduct of such Indemnitee.

12.3. Notices and Communications

.

12.3.1. Notice Address. All notices and other communications by or to a party hereto shall be in writing and shall be given to Borrower at Borrower's address shown on the signature pages hereof, and to any other Person at its address shown on the signature pages hereof, or at such other address as a party may hereafter specify by notice in accordance with this **Section 12.3**. Each communication shall be effective only (a) if given by facsimile transmission, when transmitted to the applicable facsimile number, if confirmation of receipt is received; (b) if given by mail, three Business Days after deposit in the U.S. mail, with first-class postage pre-paid, addressed to the applicable address; (c) if given by personal delivery, when duly delivered to the notice address with receipt acknowledged. Notwithstanding the foregoing, no notice to Lender shall be effective until actually received by the individual to whose attention at Lender such notice is required to be sent; or (d) if given by overnight commercial service, upon receipt as evidenced by written confirmation of receipt from the overnight service. Any written communication that is not sent in conformity with the foregoing provisions shall nevertheless be effective on the date actually received by the noticed party. Any notice received by Borrower shall be deemed received by Borrower.

12.3.2. Communications. Electronic communications (including e-mail, messaging and websites) may be used only in a manner acceptable to Lender and only for routine communications, such as delivery of financial statements, Borrowing Base Reports and other information required by **Section**

10.1.2, and administrative matters. Lender make no assurances as to the privacy and security of electronic communications. E-mail and voice mail shall not be effective notices under the Loan Documents.

12.3.3. Platform. Borrowing Base information, reports, financial statements, materials and other information shall be delivered by Borrower pursuant to procedures approved by Lender, including electronic delivery (if possible) upon request by Lender to an electronic system maintained by it ("Platform"). Borrower shall notify Lender of each posting of information on the Platform, and information shall be deemed received by Lender only upon its receipt of such notice. The Platform is provided "as is" and "as available." Lender does not warrant the adequacy or functioning of the Platform, and expressly disclaims liability for any issues involving the Platform. 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 LENDER WITH RESPECT TO THE PLATFORM. No Indemnitee shall have any liability to Borrower or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) relating to use by any Person of the Platform, including any unintended recipient, nor for delivery of any information via the Platform, internet, e-mail, or any other electronic platform or messaging system.

12.3.4. Non-Conforming Communications. Lender may rely upon any communications purportedly given by or on behalf of Borrower even if they were not made in a manner specified herein, were incomplete or were not confirmed, or if the terms thereof, as understood by the recipient, varied from a later confirmation. Borrower shall indemnify and hold harmless each Indemnitee from any liabilities, losses, costs and expenses arising from any electronic or telephonic communication purportedly given by or on behalf of Borrower.

12.4. Performance of Borrower's Obligations

. Lender may, in its discretion at any time and from time to time, at Borrower's expense, pay any amount or do any act required of Borrower under any Loan Documents or otherwise lawfully requested by Lender to (a) enforce any Loan Documents or collect any Obligations; (b) protect, insure, maintain or realize upon any Collateral; or (c) defend or maintain the validity or priority of Lender's Liens in any Collateral, including any payment of a Royalty, judgment, insurance premium, warehouse charge, finishing or processing charge, or landlord claim, or any discharge of a Lien. All payments, costs, fees and expenses of Lender under this Section shall be reimbursed by Borrower, **on demand**, with interest from the date incurred until paid in full, at the Default Rate. Any payment made or action taken by Lender under this Section shall be without prejudice to any right to assert an Event of Default or to exercise any other rights or remedies under the Loan Documents.

12.5. Credit Inquiries

. Lender may (but shall have no obligation) to respond to usual and customary credit inquiries from third parties concerning Borrower.

12.6. Severability

. Wherever possible, each provision of the Loan Documents shall be interpreted in such manner as to be valid under applicable law. If any provision is found to be invalid under applicable law, it shall be ineffective only to the extent of such invalidity and the remaining provisions of the Loan Documents shall remain in full force and effect.

12.7. Cumulative Effect; Conflict of Terms

. The provisions of the Loan Documents are cumulative. The parties acknowledge that the Loan Documents may use several limitations or measurements to regulate similar matters, and they agree that these are cumulative and that each must be performed as provided. Except as otherwise provided in another Loan Document (by specific reference to the applicable provision of this Agreement), if any provision contained herein is in direct conflict with any provision in another Loan Document, the provision herein shall govern and control.

12.8. Counterparts

; Execution. Any Loan Document may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when Lender has received counterparts bearing the signatures of all parties hereto. Lender may (but shall have no obligation to) accept any signature, contract formation or record-keeping through electronic means, which shall have the same legal validity and enforceability as manual or paper-based methods, to the fullest extent permitted by applicable law.

12.9. Entire Agreement

. Time is of the essence with respect to all Loan Documents and Obligations. The Loan Documents constitute the entire agreement, and supersede all prior understandings and agreements, among the parties relating to the subject matter thereof.

12.10. No Control; No Fiduciary Responsibility

. Nothing in any Loan Document and no action of Lender pursuant to any Loan Document shall be deemed to constitute control of Borrower by Lender, and Lender has no fiduciary, agency or similar duty of any kind to Borrower. In connection with all aspects of each transaction contemplated by any Loan Document, Borrower acknowledges and agrees that (i) this credit facility and all related services by Lender or its Affiliates are arm's-length commercial transactions between Borrower and such Person; and (ii) Borrower is capable of evaluating, and understand and accept, the terms, risks and conditions of the transactions contemplated by the Loan Documents.

12.11. Waiver of Confidentiality

. Borrower authorizes Lender to discuss Borrower's financial affairs and business operations with any accountants, auditors, business consultants, or other professional advisors employed by Borrower, and Borrower authorizes such parties to disclose to Lender such financial and business information or reports (including management letters) concerning Borrower as Lender may request.

12.12. Governing Law

. **UNLESS EXPRESSLY PROVIDED IN ANY LOAN DOCUMENT, THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND ALL CLAIMS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES EXCEPT FEDERAL LAWS RELATING TO NATIONAL BANKS.**

12.13. Consent to Forum

12.13.1. Forum. **BORROWER HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY STATE COURT SITTING IN NEW YORK OR THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, IN ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING RELATING IN ANY WAY TO ANY LOAN DOCUMENTS, AND AGREES THAT ANY DISPUTE, ACTION, LITIGATION OR OTHER PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING ANY SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE OR INCONVENIENT FORUM. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 12.3.1.** A final judgment in any proceeding of any such court shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or any other manner provided by applicable law.

12.13.2. Other Jurisdictions. Nothing herein shall limit the right of Lender to bring proceedings against Borrower in any other court, nor limit the right of any party to serve process in any other manner permitted by applicable law. Nothing in this Agreement shall be deemed to preclude enforcement by Lender of any judgment or order obtained in any forum or jurisdiction.

12.14. Waivers by Borrower

. **To the fullest extent permitted by applicable law, Borrower waives (a) the right to trial by jury (which Lender hereby also waives) in any proceeding or dispute of any kind relating in any way to any Loan Documents, Obligations or Collateral; (b) presentment, demand, protest, notice of presentment, default, non-payment, maturity, release, compromise, settlement, extension or renewal of any commercial paper, accounts, documents, instruments, chattel paper and guaranties at any time held by Lender on which Borrower may in any way be liable, and hereby ratifies anything Lender may do in this regard; (c) notice prior to taking possession or control of any Collateral; (d) any bond or security that might be required by a court prior to allowing Lender to exercise any rights or remedies; (e) the benefit of all valuation, appraisement and exemption laws; (f) any claim against Lender, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) in any way relating to any Enforcement Action, Obligations, Loan Documents or transactions relating thereto; and (g) notice of acceptance hereof.** Borrower acknowledgess that the foregoing waivers are a material inducement to Lender entering into this Agreement and that Lender is relying upon the foregoing in its dealings with Borrower. Borrower has reviewed the foregoing waivers and has knowingly and voluntarily waived its jury trial and other rights. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

12.15. Patriot Act Notice

. Lender hereby notifies Borrower that pursuant to the Patriot Act, Lender is required to obtain, verify and record information that identifies Borrower, including its legal name, address, tax ID number and other information that will allow Lender to identify it in accordance with the Patriot Act. Lender will also require information regarding any personal guarantor and may require information regarding Borrower's management and owners, such as legal name, address, social security number and date of birth. Borrower shall, promptly upon request, provide all documentation and other information as Lender

may request from time to time in order to comply with any obligations under "know your customer," anti-money laundering or other requirements of applicable law.

12.16. NO ORAL AGREEMENT

THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS BETWEEN THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date set forth above.

LENDER:

BANK OF AMERICA, N.A.

By: _____
Name: _____
Title: _____
Address:
City Place 1
185 Asylum Street
Hartford, Connecticut 06103
Attn: Mr. Edgar Ezerins,
Senior Vice President
Telecopy: (860) 368-6044

[Signatures continued on following page]

DURO DYNE NATIONAL CORP.

By: _____
Name: _____
Title: _____
Address:

_____
_____
Attn: _____
Telecopy: _____

SCHEDULE A
to
Loan and Security Agreement

LIST OF CHAPTER 11 PLAN DOCUMENTS

SCHEDULE 8.5
to
Loan and Security Agreement

DEPOSIT ACCOUNTS

Depository Bank	Type of Account	Account Number

SCHEDULE 8.6.1
to
Loan and Security Agreement

BUSINESS LOCATIONS

1. Borrower currently has the following business locations:

Chief Executive Office:

Other Locations:

2. In the five years preceding the Closing Date, Borrower and Subsidiaries have had the following business locations in addition to those set forth above:

3. The following bailees, warehouseman, similar parties and consignees hold inventory of Borrower:

Name and Address of Party	Nature of Relationship	Amount of Inventory	Owner of Inventory

SCHEDULE 9.1.4
to
Loan and Security Agreement

NAMES AND CAPITAL STRUCTURE

1. The corporate names, jurisdictions of incorporation, and authorized and issued Equity Interests of Borrower and Subsidiary are as follows:

Name	Jurisdiction	Number and Class of Authorized Shares	Number and Class of Issued Shares

2. The record holders of Equity Interests of Borrower and Subsidiary are as follows:

Name	Class of Stock	Number of Shares	Record Owner

3. All agreements binding on holders of Equity Interests of Borrower and Subsidiaries with respect to such interests are as follows:

4. In the five years preceding the Closing Date, no Borrower has acquired any substantial assets from any other Person nor been the surviving entity in a merger or combination, except:

SCHEDULE 9.1.11
to
Loan and Security Agreement

PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES

1. Borrower's patents:

Patent	Owner	Status in Patent Office	Federal Registration No.	Publication Date

2. Borrower's trademarks: None.

3. Borrower's and Subsidiaries' copyrights:

Copyright	Owner	Status in Copyright Office	Federal Registration No.	Registration Date

4. Borrower's licenses (other than routine business licenses, authorizing them to transact business in local jurisdictions): **[None]**

Licensor	Description of License	Term of License	Royalties Payable

SCHEDULE 9.1.14
to
Loan and Security Agreement

ENVIRONMENTAL MATTERS

SCHEDULE 9.1.15
to
Loan and Security Agreement

RESTRICTIVE AGREEMENTS

SCHEDULE 9.1.16
to
Loan and Security Agreement

LITIGATION

SCHEDULE 9.1.18
to
Loan and Security Agreement

PENSION PLAN DISCLOSURES

SCHEDULE 10.2.2
to
Loan and Security Agreement

EXISTING LIENS

SCHEDULE 10.2.14
to
Loan and Security Agreement

RESTRICTIVE AGREEMENTS

SCHEDULE 10.2.17
to
Loan and Security Agreement

EXISTING AFFILIATE TRANSACTIONS