

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended October 26, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-33261

AEROVIRONMENT, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

95-2705790
(I.R.S. Employer Identification No.)

241 18th Street South, Suite 650
Arlington, Virginia
(Address of principal executive offices)

22202
(Zip Code)

(805) 520-8350
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	AVAV	The NASDAQ Stock Market LLC

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

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

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

As of November 27, 2024, the number of shares outstanding of the registrant's common stock, \$0.0001 par value, was 28,204,366.

AeroVironment, Inc.

Table of Contents

Item 1.	Financial Statements:	
	Condensed Consolidated Balance Sheets as of October 26, 2024 (Unaudited) and April 30, 2024	3
	Condensed Consolidated Statements of Operations for the three and six months ended October 26, 2024 (Unaudited) and October 28, 2023 (Unaudited)	4
	Condensed Consolidated Statements of Comprehensive Income for the three and six months ended October 26, 2024 (Unaudited) and October 28, 2023 (Unaudited)	5
	Condensed Consolidated Statements of Stockholders' Equity for the three and six months ended October 26, 2024 (Unaudited) and October 28, 2023 (Unaudited)	6
	Condensed Consolidated Statements of Cash Flows for the six months ended October 26, 2024 (Unaudited) and October 28, 2023 (Unaudited)	8
	Notes to Condensed Consolidated Financial Statements (Unaudited)	9
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	33
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	47
Item 4.	Controls and Procedures	47
PART II. OTHER INFORMATION		
Item 1.	Legal Proceedings	48
Item 1A.	Risk Factors	48
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	57
Item 3.	Defaults Upon Senior Securities	57
Item 4.	Mine Safety Disclosures	57
Item 5.	Other Information	57
Item 6.	Exhibits	59
Signatures		60

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

AeroVironment, Inc.
Condensed Consolidated Balance Sheets
(In thousands except share and per share data)

	<u>October 26, 2024</u>	<u>April 30, 2024</u>
	<u>(Unaudited)</u>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 68,960	\$ 73,301
Accounts receivable, net of allowance for doubtful accounts of \$92 at October 26, 2024 and \$159 at April 30, 2024	73,935	70,305
Unbilled receivables and retentions	204,180	199,474
Inventories, net	139,698	150,168
Income taxes receivable	9,628	—
Prepaid expenses and other current assets	18,444	22,333
Total current assets	514,845	515,581
Long-term investments	22,942	20,960
Property and equipment, net	49,681	46,602
Operating lease right-of-use assets	32,502	30,033
Deferred income taxes	41,303	41,303
Intangibles, net	62,703	72,224
Goodwill	275,827	275,652
Other assets	19,282	13,505
Total assets	\$ 1,019,085	\$ 1,015,860
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 40,646	\$ 48,298
Wages and related accruals	31,594	44,312
Customer advances	10,640	11,192
Current portion of long-term debt	—	10,000
Current operating lease liabilities	9,591	9,841
Income taxes payable	28	4,162
Other current liabilities	19,112	17,074
Total current liabilities	111,611	144,879
Long-term debt, net of current portion	15,000	17,092
Non-current operating lease liabilities	25,690	22,745
Other non-current liabilities	2,114	2,132
Liability for uncertain tax positions	5,603	5,603
Deferred income taxes	670	664
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.0001 par value:		
Authorized shares—10,000,000; none issued or outstanding at October 26, 2024 and April 30, 2024	—	—
Common stock, \$0.0001 par value:		
Authorized shares—100,000,000		
Issued and outstanding shares—28,205,237 shares at October 26, 2024 and 28,134,438 shares at April 30, 2024	4	4
Additional paid-in capital	604,225	597,646
Accumulated other comprehensive loss	(5,228)	(5,592)
Retained earnings	259,396	230,687
Total stockholders' equity	858,397	822,745
Total liabilities and stockholders' equity	\$ 1,019,085	\$ 1,015,860

See accompanying notes to condensed consolidated financial statements (unaudited).

AeroVironment, Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(In thousands except share and per share data)

	Three Months Ended		Six Months Ended	
	October 26, 2024	October 28, 2023	October 26, 2024	October 28, 2023
Revenue:				
Product sales	\$ 151,231	\$ 145,779	\$ 310,735	\$ 265,250
Contract services	37,227	\$ 35,037	67,206	67,913
	188,458	180,816	377,941	333,163
Cost of sales:				
Product sales	87,052	79,032	172,571	140,640
Contract services	27,768	26,434	50,265	51,513
	114,820	105,466	222,836	192,153
Gross margin:				
Product sales	64,179	66,747	138,164	124,610
Contract services	9,459	8,603	16,941	16,400
	73,638	75,350	155,105	141,010
Selling, general and administrative	37,916	28,147	71,711	51,974
Research and development	28,716	22,025	53,329	37,491
Income from operations	7,006	25,178	30,065	51,545
Other loss:				
Interest expense, net	(690)	(1,950)	(929)	(3,958)
Other income (expense), net	16	(2,858)	(218)	(3,987)
Income before income taxes	6,332	20,370	28,918	43,600
(Benefit from) provision for income taxes	(221)	1,137	1,264	2,451
Equity method investment income (loss), net of tax	990	(1,393)	1,055	(1,414)
Net income	7,543	17,840	28,709	39,735
Net income per share				
Basic	\$ 0.27	\$ 0.66	\$ 1.03	\$ 1.50
Diluted	\$ 0.27	\$ 0.66	\$ 1.02	\$ 1.50
Weighted-average shares outstanding:				
Basic	28,009,963	26,865,763	27,985,425	26,479,168
Diluted	28,145,590	26,956,806	28,139,942	26,569,267

See accompanying notes to condensed consolidated financial statements (unaudited).

AeroVironment, Inc.
Condensed Consolidated Statements of Comprehensive Income (Unaudited)
(In thousands)

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>October 26, 2024</u>	<u>October 28, 2023</u>	<u>October 26, 2024</u>	<u>October 28, 2023</u>
Net income	\$ 7,543	\$ 17,840	\$ 28,709	\$ 39,735
Other comprehensive income:				
Change in foreign currency translation adjustments	(172)	(1,562)	364	(1,625)
Total comprehensive income	<u>\$ 7,371</u>	<u>\$ 16,278</u>	<u>\$ 29,073</u>	<u>\$ 38,110</u>

See accompanying notes to condensed consolidated financial statements (unaudited).

AeroVironment, Inc.
Condensed Consolidated Statements of Stockholders' Equity
For the three months ended October 26, 2024 and October 28, 2023 (Unaudited)
(In thousands except share data)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Balance at July 27, 2024	28,206,480	\$ 4	\$ 598,735	\$ 251,853	\$ (5,054)	\$ 845,538
Net income	—	—	—	7,543	—	7,543
Foreign currency translation	—	—	—	—	(174)	(174)
Stock options exercised	—	—	—	—	—	—
Restricted stock awards	2,261	—	—	—	—	—
Restricted stock awards forfeited	(2,969)	—	—	—	—	—
Tax withholding payment related to net share settlement of equity awards	(535)	—	(112)	—	—	(112)
Stock based compensation	—	—	5,602	—	—	5,602
Balance at October 26, 2024	<u>28,205,237</u>	<u>\$ 4</u>	<u>\$ 604,225</u>	<u>\$ 259,396</u>	<u>\$ (5,228)</u>	<u>\$ 858,397</u>

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Balance at July 29, 2023	26,292,130	\$ 4	\$ 386,140	\$ 192,916	\$ (4,515)	\$ 574,545
Net income	—	—	—	17,840	—	17,840
Foreign currency translation	—	—	—	—	(1,562)	(1,562)
Restricted stock awards	53,455	—	—	—	—	—
Restricted stock awards forfeited	(2,738)	—	—	—	—	—
Tax withholding payment related to net share settlement of equity awards	(677)	—	(72)	—	—	(72)
Shares issued, net of issuance costs	807,370	—	88,119	—	—	88,119
Issuance of common stock for business acquisition	985,999	—	109,820	—	—	109,820
Stock based compensation	—	—	5,040	—	—	5,040
Balance at October 28, 2023	<u>28,135,539</u>	<u>\$ 4</u>	<u>\$ 589,047</u>	<u>\$ 210,756</u>	<u>\$ (6,077)</u>	<u>\$ 793,730</u>

AeroVironment, Inc.
Condensed Consolidated Statements of Stockholders' Equity
For the six months ended October 26, 2024 and October 28, 2023 (Unaudited)
(In thousands except share data)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Balance at April 30, 2024	28,134,438	\$ 4	\$ 597,646	\$ 230,687	\$ (5,592)	\$ 822,745
Net income	—	—	—	28,709	—	28,709
Foreign currency translation	—	—	—	—	364	364
Stock options exercised	16,164	—	506	—	—	506
Restricted stock awards	71,783	—	—	—	—	—
Restricted stock awards forfeited	(5,163)	—	—	—	—	—
Tax withholding payment related to net share settlement of equity awards	(11,985)	—	(4,064)	—	—	(4,064)
Stock based compensation	—	—	10,137	—	—	10,137
Balance at October 26, 2024	<u>28,205,237</u>	<u>\$ 4</u>	<u>\$ 604,225</u>	<u>\$ 259,396</u>	<u>\$ (5,228)</u>	<u>\$ 858,397</u>

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
Balance at April 30, 2023	26,216,897	\$ 4	\$ 384,397	\$ 171,021	\$ (4,452)	\$ 550,970
Net income	—	—	—	39,735	—	39,735
Foreign currency translation	—	—	—	—	(1,625)	(1,625)
Restricted stock awards	145,368	—	—	—	—	—
Restricted stock awards forfeited	(6,176)	—	—	—	—	—
Tax withholding payment related to net share settlement of equity awards	(13,919)	—	(1,370)	—	—	(1,370)
Shares issued, net of issuance costs	807,370	—	87,956	—	—	87,956
Issuance of common stock for business acquisition	985,999	—	109,820	—	—	109,820
Stock based compensation	—	—	8,244	—	—	8,244
Balance at October 28, 2023	<u>28,135,539</u>	<u>\$ 4</u>	<u>\$ 589,047</u>	<u>\$ 210,756</u>	<u>\$ (6,077)</u>	<u>\$ 793,730</u>

AeroVironment, Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In thousands)

	Six Months Ended	
	October 26, 2024	October 28, 2023
Operating activities		
Net income	\$ 28,709	\$ 39,735
Adjustments to reconcile net income to cash provided by (used in) operating activities:		
Depreciation and amortization	17,854	15,387
(Gain) loss from equity method investments	(1,055)	1,414
Amortization of debt issuance costs	1,047	424
Provision for doubtful accounts	(67)	4
Reserve for inventory excess and obsolescence	2,032	8,338
Other non-cash expense, net	1,194	331
Non-cash lease expense	4,980	4,486
Gain (loss) on foreign currency transactions	32	(184)
Unrealized loss on available-for-sale equity securities, net	267	3,463
Deferred income taxes	—	(1,006)
Stock-based compensation	10,137	8,244
Loss on disposal of property and equipment	201	136
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(3,500)	15,553
Unbilled receivables and retentions	(4,684)	(35,175)
Inventories	7,485	(49,329)
Income taxes receivable	(9,636)	(5,735)
Prepaid expenses and other assets	(2,247)	(12,720)
Accounts payable	(7,624)	(6,105)
Other liabilities	(20,416)	(12,851)
Net cash provided by (used in) operating activities	24,709	(25,590)
Investing activities		
Acquisition of property and equipment	(10,447)	(10,104)
Contributions in equity method investments	(1,183)	(1,875)
Acquisition of intangibles	—	(1,500)
Business acquisitions, net of cash acquired	—	(24,156)
Net cash used in investing activities	(11,630)	(37,635)
Financing activities		
Principal payments of term loan	(28,000)	(55,000)
Holdback and retention payments for business acquisition	—	(500)
Proceeds from shares issued, net of issuance costs	—	88,437
Proceeds from long-term debt	15,000	—
Payment of debt issuance costs	(900)	(8)
Tax withholding payment related to net settlement of equity awards	(4,064)	(1,370)
Exercise of stock options	506	—
Other	(13)	(15)
Net cash (used in) provided by financing activities	(17,471)	31,544
Effects of currency translation on cash and cash equivalents	51	(270)
Net decrease in cash and cash equivalents	(4,341)	(31,951)
Cash and cash equivalents at beginning of period	73,301	132,859
Cash and cash equivalents at end of period	\$ 68,960	\$ 100,908
Supplemental disclosures of cash flow information		
Cash paid, net during the period for:		
Income taxes	\$ 14,444	\$ 11,054
Interest	\$ 777	\$ 4,818
Non-cash activities		
Issuance of common stock for business acquisition	\$ —	\$ 109,820
Change in foreign currency translation adjustments	\$ 364	\$ (1,625)
Acquisitions of property and equipment included in accounts payable	\$ 964	\$ 915

See accompanying notes to condensed consolidated financial statements (unaudited).

AeroVironment, Inc.
Notes to Condensed Consolidated Financial Statements (Unaudited)

1. Organization and Significant Accounting Policies

Organization

AeroVironment, Inc., a Delaware corporation (the “Company”), is engaged in the design, development, production, delivery and support of a technologically advanced portfolio of intelligent, multi-domain robotic systems and related services for government agencies and businesses. AeroVironment, Inc. supplies uncrewed aircraft and ground robot systems, loitering munitions systems and related services primarily to organizations within or supplying the U.S. Department of Defense (“D.o.D.”), other federal agencies and to international allied governments.

Effective May 1, 2023, the Company reorganized its segments. Due to the Company’s growth as an organization, the reorganization was implemented to drive additional operational improvements, foster synergies and provide leaders with greater autonomy over their product lines. The Company’s reportable segments are as follows:

Uncrewed Systems (“UxS”)—The UxS segment, which consists of the former small uncrewed aircraft systems (“SUAS”), medium uncrewed aircraft systems (“MUAS”) and uncrewed ground vehicles (“UGV”) segments and Tomahawk Robotics, Inc. (“Tomahawk”), which was acquired on September 15, 2023, focuses primarily on (i) small UAS products designed to operate reliably at lower altitudes in a wide range of environmental conditions, providing a vantage point from which to collect and deliver valuable information as well as related support including training, spare and accessory parts, product repair, product replacement, maintenance and upgrades; (ii) medium UAS products designed to operate reliably at medium altitudes with longer range while carrying larger payloads including airborne platforms, (iii) payloads and payload integration, ground support equipment and other items and services related generally to uncrewed aircraft systems historically including ISR services; (iv) UGV products designed to help responders remove, contain or neutralize hazards in situations where improvised explosive devices, caustic chemicals, nuclear, radiological or biological hazards or violent individuals represent significant danger to humans; and (v) AI-enabled common control and communication solutions that allow any uncrewed system to be controlled from a common user interface while aggregating data from multiple platforms to provide real time intelligence.

Loitering Munitions Systems (“LMS”)—The LMS segment, which consists of the former Tactical Missile Systems segment, focuses primarily on tube-launched aircraft that deploy with the push of a button, fly at higher speeds than small UAS products, and perform either effects delivery or reconnaissance missions, and related support services including training, spare parts, product repair, and product replacement. The LMS segment also includes customer-funded research and development programs.

MacCready Works (“MW”)—The MW segment, which consists of the former MacCready Works and High Altitude Pseudo-Satellite systems (“HAPS”) segments, focuses on customer-funded research and development in the areas of HAPS, robotics, sensors, software analytics, data intelligence and connectivity. This segment contains the Company’s center of excellence for the development of machine learning, object identification and autonomy solutions and also seeks to identify new products, services and businesses for the Company.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and with the instructions of Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments, consisting only of normal recurring adjustments necessary for a fair presentation with respect to the interim financial statements have been included. The results of operations for the three and six months ended October 26, 2024 are not necessarily indicative of the results for the full year ending April 30, 2025. For further information, refer to the consolidated financial statements and footnotes thereto for the year ended April 30, 2024, included in the Company’s Annual Report on Form 10-K.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions, including estimates of anticipated contract costs and revenue utilized in the revenue recognition process, that affect the reported amounts in the unaudited condensed consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

The Company's unaudited condensed consolidated financial statements include the assets, liabilities and operating results of wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated.

On September 15, 2023, the Company closed its acquisition of Tomahawk pursuant to a merger agreement, and post-acquisition, Tomahawk has been incorporated into the UxS segment. The assets, liabilities and operating results of Tomahawk have been included in the Company's unaudited condensed consolidated financial statements. Refer to Note 16—Business Acquisitions for further details.

On November 13, 2024, the Company formed the Archangel Merger Sub LLC, a Delaware limited liability company and a direct wholly owned subsidiary of the Company ("Merger Sub"), for the purpose of the announced acquisition with BlueHalo Financing Topco, LLC ("Blue Halo"). Refer to Note 19—Subsequent Events for further details.

Recently Adopted Accounting Standards

The Company did not adopt any accounting standards during the six months ended October 26, 2024.

Revenue Recognition

The Company's revenue is generated pursuant to written contractual arrangements to design, develop, manufacture and/or modify complex products and to provide related engineering, technical and other services according to the specifications of its customers. These contracts may be firm fixed price ("FFP"), cost plus fixed fee ("CPFF"), or time and materials ("T&M"). The Company considers all such contracts to be within the scope of ASU 2014-09, *Revenue from Contracts with Customers* ("ASC 606").

Performance Obligations

A performance obligation is a promise in a contract to transfer distinct goods or services to a customer, and it is the unit of account in ASC 606. A contract's transaction price is allocated to each distinct performance obligation and revenue is recognized when each performance obligation under the terms of a contract is satisfied. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services. For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation using its observable standalone selling price for products and services. When the standalone selling price is not directly observable, the Company uses its best estimate of the standalone selling price of each distinct good or service in the contract using the cost plus margin approach. This approach estimates the Company's expected costs of satisfying the performance obligation and then adds an appropriate margin for that distinct good or service.

Contract modifications are routine in the performance of the Company's contracts. In most instances, contract modifications are for additional goods and/or services that are distinct and, therefore, accounted for as new contracts.

The Company's performance obligations are satisfied over time or at a point in time. Performance obligations are satisfied over time if the customer receives the benefits as the Company performs, if the customer controls the asset as it is being developed or produced, or if the product being produced for the customer has no alternative use and the Company has a contractual right to payment for the Company's costs incurred to date plus a reasonable margin. The contractual right to payment is generally supported by termination for convenience clauses that allow the customer to unilaterally terminate the contract for convenience, pay the Company for costs incurred plus a reasonable profit, and take control of any work in process. Revenue for LMS product deliveries, certain Tomahawk product deliveries and Customer-Funded Research and Development contracts is recognized over time as costs are incurred. Contract services revenue is composed of revenue recognized on contracts for the provision of services, including repairs and maintenance, training, engineering design,

development and prototyping activities, and technical support services. Contract services revenue is recognized over time as services are rendered. Typically, revenue is recognized over time using an input measure (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress. Contract services revenue, which historically included revenue from intelligence, surveillance, and reconnaissance (“ISR”) services, is recognized over time as services are rendered. In accordance with ASC 606, the Company elected the right to invoice practical expedient in which if an entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity’s performance completed to date, such as flight hours for ISR services, the entity may recognize revenue in the amount to which the entity has a right to invoice.

In the past, the Company operated its MUAS in overseas locations to support U.S. military operations under ISR services contracts under a contractor-owned, contractor-operated (“COCO”) arrangement.

For performance obligations satisfied over time, revenue is generally recognized using costs incurred to date relative to total estimated costs at completion to measure progress. Incurred costs represent work performed, which correspond with, and thereby best depict, transfer of control to the customer. Contract costs include labor, materials, subcontractors’ costs, other direct costs, and indirect costs applicable on government and commercial contracts.

For performance obligations which are not satisfied over time per the aforementioned criteria above, revenue is recognized at the point in time in which each performance obligation is fully satisfied. The Company’s SUAS, MUAS, UGV product sales revenue is composed of revenue recognized on contracts for the delivery of SUAS, MUAS and UGV systems and spare parts, respectively. Revenue is recognized at the point in time when control transfers to the customer, which generally occurs when title and risk of loss have passed to the customer.

On October 26, 2024, the Company had approximately \$467,094,000 of remaining performance obligations under fully funded contracts with its customers, which the Company also refers to as funded backlog. The Company currently expects to recognize approximately 72% of the remaining performance obligations as revenue in fiscal 2025 and the remaining 28% in fiscal 2026 or beyond.

The Company collects sales, value added, and other taxes concurrent with revenue producing activities, which are excluded from revenue when they are both imposed on a specific transaction and collected from a customer.

Contract Estimates

Accounting for contracts and programs primarily with a duration of less than six months involves the use of various techniques to estimate total contract revenue and costs. For long-term contracts, the Company estimates the total expected costs to complete the contract and recognizes revenue based on the percentage of costs incurred at period end. Typically, revenue is recognized over time using costs incurred to date relative to total estimated costs at completion to measure progress toward satisfying the Company’s performance obligations. Incurred costs represent work performed, which corresponds with, and thereby best depicts, the transfer of control to the customer. Contract costs include labor, materials, subcontractors’ costs, other direct costs, and indirect costs applicable on government and commercial contracts.

Contract estimates are based on various assumptions to project the outcome of future events that may span several years. These assumptions include labor productivity and availability, the complexity of the work to be performed, the cost and availability of materials, the performance of subcontractors, and the availability and timing of funding from the customer.

The nature of the Company’s contracts gives rise to several types of variable consideration, including undefinitized contract actions which are within the scope of ASC 606 with final contract values to be negotiated, penalty fees and incentive awards generally for late delivery and early delivery, respectively. The Company generally estimates such variable consideration as the most likely amount. In addition, the Company includes the estimated variable consideration to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the related uncertainty is resolved. These estimates are based on historical award experience, anticipated

performance and the Company’s best judgment at the time. Based on experience in estimating these amounts, they are included in the transaction price of the Company’s contracts and the associated remaining performance obligations.

As a significant change in one or more of these estimates could affect the profitability of the Company’s contracts, the Company regularly reviews and updates its contract-related estimates. Changes in cumulative revenue estimates, due to changes in the estimated transaction price or cost estimates, are recorded using a cumulative catch-up adjustment in the period identified for contracts with performance obligations recognized over time. Changes in cumulative revenue estimates due to changes in the estimated transaction price are recorded using a cumulative catch-up adjustment in the period identified for contracts with performance obligations at a point in time, including undefinitized contract actions. In the period undefinitized contract actions become definitized, a cumulative catch-up adjustment is recorded to reflect the final consideration, which could have a material positive or negative impact.

If at any time the estimate of contract profitability indicates an anticipated loss on the contract, the Company recognizes the total loss in the quarter it is identified, and it is recorded in other current liabilities. The balance of forward loss reserves as of October 26, 2024 and April 30, 2024 was \$130,000 and \$374,000, respectively. The Company recorded the forward loss reserves as the total estimated costs to complete the contracts are in excess of the total remaining consideration of the contracts. No adjustment on the forward loss reserve for any one contract was material to the Company’s unaudited condensed consolidated financial statements for the three and six months ended October 26, 2024 or October 28, 2023, respectively.

The impact of adjustments in contract estimates on the Company’s operating earnings can be reflected in either operating costs and expenses, or revenue. The aggregate impact of adjustments in contract estimates on revenue related to performance obligations satisfied or partially satisfied in previous periods was \$6,973,000 and \$8,555,000 for the three and six month periods ended October 26, 2024, respectively. During the three and six months ended October 26, 2024, the Company definitized certain LMS undefinitized contract actions. The aggregate impact of these cumulative catch-up revenue adjustments for the contract definitization was an increase to revenue of approximately \$9,870,000. The aggregate impact of adjustments in contract estimates on revenue related to performance obligations satisfied or partially satisfied in previous periods was \$2,817,000 and \$3,544,000 for the three and six months ended October 28, 2023, respectively. During the three and six months ended October 28, 2023, the Company revised its estimates of the total expected costs to complete an LMS variant contract. The aggregate impact of these adjustments in contract estimates on revenue related to performance obligations satisfied or partially satisfied in previous periods was an increase to revenue of approximately \$1,716,000 and \$1,439,000, respectively.

Revenue by Category

The following tables present the Company’s revenue disaggregated by segment, contract type, customer category and geographic location (in thousands):

Revenue by segment	Three Months Ended		Six Months Ended	
	October 26,	October 28,	October 26,	October 28,
	2024	2023	2024	2023
UxS	\$ 85,416	\$ 132,773	\$ 205,392	\$ 230,980
LMS	77,715	30,249	129,688	61,166
MW	25,327	17,794	42,861	41,017
Total revenue	<u>\$ 188,458</u>	<u>\$ 180,816</u>	<u>\$ 377,941</u>	<u>\$ 333,163</u>

Revenue by contract type	Three Months Ended		Six Months Ended	
	October 26,	October 28,	October 26,	October 28,
	2024	2023	2024	2023
FFP	\$ 168,752	\$ 159,879	\$ 340,620	\$ 289,821
CPFF	18,810	19,802	35,041	41,095
T&M	896	1,135	2,280	2,247
Total revenue	<u>\$ 188,458</u>	<u>\$ 180,816</u>	<u>\$ 377,941</u>	<u>\$ 333,163</u>

Each of these contract types presents advantages and disadvantages. Typically, the Company assumes more risk with FFP contracts. However, these types of contracts generally offer additional profits when the Company completes the work for less than originally estimated. CPFF contracts generally subject the Company to lower risk. Accordingly, the associated base fees are usually lower than fees on FFP contracts. Under T&M contracts, the Company's profit may vary if actual labor hour rates vary significantly from the negotiated rates.

	Three Months Ended		Six Months Ended	
	October 26,	October 28,	October 26,	October 28,
	2024	2023	2024	2023
Revenue by customer category				
U.S. government	\$ 140,715	\$ 149,959	\$ 289,315	\$ 251,307
Non-U.S. government	47,743	30,857	88,626	81,856
Total revenue	<u>\$ 188,458</u>	<u>\$ 180,816</u>	<u>\$ 377,941</u>	<u>\$ 333,163</u>

	Three Months Ended		Six Months Ended	
	October 26,	October 28,	October 26,	October 28,
	2024	2023	2024	2023
Revenue by geographic location				
Domestic	\$ 86,958	\$ 69,975	\$ 153,956	\$ 128,101
International	101,500	110,841	223,985	205,062
Total revenue	<u>\$ 188,458</u>	<u>\$ 180,816</u>	<u>\$ 377,941</u>	<u>\$ 333,163</u>

	Three Months Ended		Six Months Ended	
	October 26,	October 28,	October 26,	October 28,
	2024	2023	2024	2023
Revenue percentage by recognition method				
Over time	58%	39%	50%	39%
Point in time	42%	61%	50%	61%
Total revenue	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Contract Balances

The timing of revenue recognition, billings, and cash collections results in billed accounts receivable, unbilled receivables, and customer advances and deposits on the condensed consolidated balance sheet. In the Company's services contracts, amounts are billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals, which is generally monthly, or upon the achievement of contractual milestones. Generally, billing occurs subsequent to revenue recognition, resulting in contract assets recorded in unbilled receivables and retentions on the condensed consolidated balance sheet. However, the Company sometimes receives advances or deposits from its customers before revenue is recognized, resulting in contract liabilities recorded in customer advances on the condensed consolidated balance sheet. Contract liabilities are not a significant financing component as they are generally utilized to pay for contract costs within a one-year period or are used to ensure the customer meets contractual requirements. These assets and liabilities are reported on the condensed consolidated balance sheet on a contract-by-contract basis at the end of each reporting period. For the Company's product revenue, the Company generally receives cash payments subsequent to satisfying the performance obligation via delivery of the product, resulting in billed accounts receivable. Changes in the contract asset and liability balances during the three and six month periods ended October 26, 2024 were not materially impacted by any other factors. For the Company's contracts, there are no significant gaps between the receipt of payment and the transfer of the associated goods and services to the customer for material amounts of consideration.

Revenue recognized for the three and six month periods ended October 26, 2024 that was included in customer advances balances as of April 30, 2024 was \$2,475,000 and \$7,961,000. Revenue recognized for the three and six month periods ended October 28, 2023 that was included in customer advances balances as of April 30, 2023 was \$696,000 and \$2,416,000.

Cost to Fulfill a Contract with a Customer

The Company recognizes assets for the costs to fulfill a contract with a customer if the costs are specifically identifiable, generate or enhance resources used to satisfy future performance obligations, and are expected to be recovered in accordance with ASC 340-40 Other Assets and Deferred Costs: Contracts with Customers. The assets related to costs to fulfill contracts with customers are capitalized and amortized over the period the related performance obligations are satisfied. As of October 26, 2024, the Company had no costs to fulfill and as of April 30, 2024, the Company's costs to fulfill were not material.

Segments

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources and assess performance. As of October 26, 2024, the Company's CODM, the Chief Executive Officer, makes operating decisions, assesses performance and makes resource allocation decisions, including the allocation for research and development ("R&D"). Accordingly, the Company identifies three reportable segments. Refer to Note 18—Segments for further details.

Investments

The Company's investments are accounted for as available-for-sale and are reported at fair value. Unrealized gains and losses for debt securities are excluded from earnings and reported as a separate component of stockholders' equity, net of deferred income taxes for available-for-sale investments. Gains and losses realized on the disposition of investment securities are determined on the specific identification basis and credited or charged to income. Investments in equity securities and warrants are measured at fair value with net unrealized gains and losses from changes in the fair value recognized in other expense, net. Management determines the appropriate classification of securities at the time of purchase and reevaluates such designation as of each balance sheet date.

Fair Values of Financial Instruments

Fair values of cash and cash equivalents, accounts receivable, unbilled receivables and retentions, and accounts payable approximate cost due to the short period of time to maturity.

Government Contracts

Payments to the Company on government CPFF or T&M contracts are based on provisional, or estimated indirect rates, which are subject to an annual audit by the Defense Contract Audit Agency ("DCAA"). The cost audits result in the negotiation and determination of the final indirect cost rates that the Company may use for the period(s) audited. The final rates, if different from the provisional rates, may create an additional receivable or liability for the Company for CPFF and T&M contracts.

For example, during the course of its audits, the DCAA may question the Company's incurred costs, and if the DCAA believes the Company has accounted for such costs in a manner inconsistent with the requirements under Federal Acquisition Regulations, the DCAA auditor may recommend to the Company's administrative contracting officer to disallow such costs. Historically, the Company has not experienced material disallowed costs as a result of government audits. However, the Company can provide no assurance that the DCAA or other government audits will not result in material disallowances for incurred costs in the future. The Company's revenue recognition policy calls for revenue recognized on all cost reimbursable government contracts to be recorded at actual rates unless collectability is not reasonably assured. At October 26, 2024 and April 30, 2024, the Company had no reserve for incurred cost claim audits.

Earnings Per Share

Basic earnings per share is computed using the weighted-average number of common shares outstanding, excluding shares of unvested restricted stock.

The reconciliation of basic to diluted shares is as follows (in thousands except share data):

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>October 26, 2024</u>	<u>October 28, 2023</u>	<u>October 26, 2024</u>	<u>October 28, 2023</u>
Net income	\$ 7,543	\$ 17,840	\$ 28,709	\$ 39,735
Denominator for basic earnings per share:				
Weighted average common shares	28,009,963	26,865,763	27,985,425	26,479,168
Dilutive effect of employee stock options, restricted stock and restricted stock units	135,627	91,043	154,517	90,099
Denominator for diluted earnings per share	<u>28,145,590</u>	<u>26,956,806</u>	<u>28,139,942</u>	<u>26,569,267</u>

Potentially dilutive shares not included in the computation of diluted weighted-average common shares because their effect would have been anti-dilutive were 83 and 180 for the three and six months ended October 26, 2024. Potentially dilutive shares not included in the computation of diluted weighted-average common shares because their effect would have been anti-dilutive were 1,284 and 1,082 for the three and six months ended October 28, 2023.

Recently Issued Accounting Standards

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* (“ASU 2023-07”). ASU 2023-07 improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses reported to the CODM. ASU 2023-07 also requires all segment profit or loss and assets disclosures to be provided on an annual and interim basis. The new standard is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. ASU 2023-07 is adopted retrospectively. The Company will include the required enhanced disclosures in its Annual Report on Form 10-K for the fiscal year ending April 30, 2025.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* (“ASU 2023-09”). ASU 2023-09 requires updates to the rate reconciliation, income taxes paid and other disclosures. The new standard is effective for fiscal years beginning after December 15, 2024 and interim periods within fiscal years beginning after December 15, 2025, with early adoption permitted. ASU 2023-09 is adopted retrospectively. The Company is evaluating the potential impact of this adoption on its consolidated financial statements.

2. Investments

Investments consist of the following (in thousands):

	<u>October 26, 2024</u>	<u>April 30, 2024</u>
Long-term investments:		
Available-for-sale securities:		
Equity securities and warrants	760	1,027
Total long-term available-for-sale securities investments	760	1,027
Equity method investments		
Investments in limited partnership funds	22,182	19,933
Total equity method investments	22,182	19,933
Total long-term investments	<u>\$ 22,942</u>	<u>\$ 20,960</u>

Equity Securities

Equity securities and warrants are measured at fair value with net unrealized gains and losses from changes in the fair value recognized in other expense, net. Unrealized loss recorded (in thousands):

	Three Months Ended October 26, 2024	Three Months Ended October 28, 2023	Six Months Ended October 26, 2024	Six Months Ended October 28, 2023
Net losses recognized during the period on equity securities	\$ 54	\$ (2,450)	\$ (267)	\$ (3,463)
Less: Net loss recognized during the period on equity securities sold during the period	—	—	—	—
Unrealized loss recognized during the period on equity securities still held at the reporting date	<u>\$ 54</u>	<u>\$ (2,450)</u>	<u>\$ (267)</u>	<u>\$ (3,463)</u>

3. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy contains three levels as follows:

- Level 1—Inputs to the valuation based upon quoted prices (unadjusted) for identical assets or liabilities in active markets that are accessible as of the measurement date.
- Level 2—Inputs to the valuation include quoted prices in either markets that are not active, or in active markets for similar assets or liabilities, inputs other than quoted prices that are observable, and inputs that are derived principally from or corroborated by observable market data.
- Level 3—Inputs to the valuation that are unobservable inputs for the asset or liability.

The Company's financial assets measured at fair value on a recurring basis at October 26, 2024, were as follows (in thousands):

Description	Fair Value Measurement Using			Total
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Equity securities	\$ 685	\$ —	\$ —	\$ 685
Warrants	—	75	—	75
Total	<u>\$ 685</u>	<u>\$ 75</u>	<u>\$ —</u>	<u>\$ 760</u>

The Company had no financial liabilities measured at fair value on a recurring basis at October 26, 2024.

The Company's financial assets measured at fair value on a recurring basis at April 30, 2024, were as follows (in thousands):

Description	Fair Value Measurement Using			Total
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Equity securities	\$ 937	\$ —	\$ —	\$ 937
Warrants	—	90	—	90
Total	\$ 937	\$ 90	\$ —	\$ 1,027

The Company had no financial liabilities measured at fair value on a recurring basis at April 30, 2024.

On September 12, 2022, the Company invested \$5,000,000 and acquired 500,000 shares of common stock and 500,000 privately placed, redeemable warrants of Amprius Technologies, Inc. The privately placed, redeemable warrants have an exercise price of \$12.50 and redemption price of \$20.00. The Company measures the fair value of the privately placed, redeemable warrants using the quoted market price of the public warrants which have an exercise price of \$11.50 and a redemption price of \$18.00 and classifies the warrants as a level 2 fair value measurement.

4. Inventories, net

Inventories consist of the following (in thousands):

	October 26, 2024	April 30, 2024
Raw materials	\$ 53,694	\$ 57,218
Work in process	65,589	53,232
Finished goods	48,286	65,618
Inventories, gross	167,569	176,068
Reserve for inventory excess and obsolescence	(27,871)	(25,900)
Inventories, net	\$ 139,698	\$ 150,168

5. Equity Method Investments

Investments in Limited Partnership Funds

In July 2019, the Company made its initial capital contribution to a limited partnership fund focusing on highly relevant technologies and start-up companies serving defense and industrial markets. Under the terms of the limited partnership agreement, the Company contributed a total of \$10,000,000 during the fiscal years ended April 30, 2021 and 2022, and there were no further contribution commitments to this fund as of April 30, 2022. In March 2022, the Company entered into a limited partnership agreement with a second limited partnership fund also focusing on highly relevant technologies and start-up companies serving defense and industrial markets. Under the terms of the limited partnership agreement, the Company is committed to contributions totaling \$20,000,000 over an expected five year period. During the fiscal year ended April 30, 2024 and 2023, the Company made total contributions of \$3,074,000 and \$5,778,000, respectively. During the three months ended July 27, 2024, the Company made a contribution of \$1,183,000. Under the terms of the limited partnership agreement, the Company has committed to make additional capital contributions of \$9,965,000 to the fund expected to be paid over the next three fiscal years. The Company accounts for investments in limited partnerships as equity method investments as the Company is deemed to have significant influence when it holds more than a minor interest. For the three and six months ended October 26, 2024, the Company recorded its ownership percentage of the net gains of the limited partnerships, or \$1,001,000 and \$1,066,000, respectively, in equity method investment income (loss),

net of \$0 tax in the unaudited condensed consolidated statements of operations, respectively. For the three and six months ended October 28, 2023, the Company recorded its ownership percentage of the net losses of the limited partnerships, or \$(1,393,000) and \$(1,414,000), respectively, in equity method investment income (loss), net of \$0 tax in the unaudited condensed consolidated statements of operations, respectively. At October 26, 2024 and April 30, 2024, the carrying value of the investments in the limited partnership funds of \$22,182,000 and \$19,933,000, respectively, was recorded in long-term investments on the unaudited condensed consolidated balance sheet.

Investment in Altoy

On September 15, 2021, the Company entered into a Share Sale and Purchase Agreement with Toygun whereby the Company sold 35% of the common shares of Altoy to Toygun. On October 14, 2022, the company sold an additional 35% of the common shares of Altoy to Toygun. As a result of the sales, the Company decreased its interest in Altoy from 85% to 15%. The Company no longer controls Altoy, and therefore, has deconsolidated Altoy in the Company's unaudited condensed consolidated financial statements. The Company maintains significant influence, accounts for its investment in Altoy as an equity method investment and records its proportion of any gains or losses of Altoy in equity method investment loss, net of tax. For the three and six months ended October 26, 2024 the Company recorded \$(11,000) for its ownership percentage of the net activity of Altoy in equity method investment income (loss), net of tax in the unaudited condensed consolidated statements of operations. For the three and six months ended October 28, 2023, the Company recorded \$0 for its ownership percentage of the net activity of Altoy in equity method investment income (loss), net of tax in the unaudited condensed consolidated statements of operations. At October 26, 2024 and April 30, 2024, the carrying value of the investment in Altoy of \$141,000 and \$152,000, respectively, was recorded in other assets on the unaudited condensed consolidated balance sheet.

6. Warranty Reserves

The Company accrues an estimate of its exposure to warranty claims based upon both current and historical product sales data and warranty costs incurred. The warranty reserve is included in other current liabilities on the unaudited condensed consolidated balance sheet. The related expense is included in cost of sales. Warranty reserve activity is summarized as follows for the three and six months ended October 26, 2024 and October 28, 2023, respectively (in thousands):

	Three Months Ended		Six Months Ended	
	October 26, 2024	October 28, 2023	October 26, 2024	October 28, 2023
Beginning balance	\$ 4,240	\$ 4,627	\$ 5,538	\$ 3,642
Balance acquired from acquisition	—	40	—	40
Warranty expense	(193)	1,037	(840)	2,787
Warranty costs settled	(405)	(462)	(1,056)	(1,227)
Ending balance	<u>\$ 3,642</u>	<u>\$ 5,242</u>	<u>\$ 3,642</u>	<u>\$ 5,242</u>

7. Intangibles, net

The components of intangibles are as follows (in thousands):

	October 26, 2024	April 30, 2024
Technology	\$ 101,106	\$ 101,012
Licenses	1,008	1,008
Customer relationships	77,354	77,313
Backlog	2,851	2,831
In-process research and development	550	550
Non-compete agreements	320	320
Trademarks and tradenames	1,668	1,668
Other	146	146
Intangibles, gross	185,003	184,848
Less accumulated amortization	(122,300)	(112,624)
Intangibles, net	<u>\$ 62,703</u>	<u>\$ 72,224</u>

The weighted average amortization period as of October 26, 2024 and April 30, 2024 was four and three years, respectively. Amortization expense for the three and six months ended October 26, 2024 was \$4,795,000 and \$9,569,000 respectively. Amortization expense for the three and six months ended October 28, 2023 was \$4,262,000 and \$7,276,000, respectively.

Estimated amortization expense for the next five years is as follows (in thousands):

	Year ending April 30,
2025	\$ 9,579
2026	15,022
2027	12,655
2028	11,941
2029	7,764
	<u>\$ 56,961</u>

8. Goodwill

The following table presents the changes in the Company's goodwill balance by segment (in thousands):

	UxS	LMS	MW	Total
Balance at April 30, 2024	\$ 256,398	\$ —	\$ 19,254	\$ 275,652
Change to goodwill	175	—	—	175
Balance at October 26, 2024	<u>\$ 256,573</u>	<u>\$ —</u>	<u>\$ 19,254</u>	<u>\$ 275,827</u>

The UxS segment includes goodwill from the acquisitions of Pulse Aerospace, LLC ("Pulse"), Arcturus UAV, Inc. ("Arcturus"), Telerob, Planck and Tomahawk acquisitions. The goodwill change to UxS is attributable to the Telerob acquisition recorded in Euros and translated to U.S. dollars at each reporting date. The MW segment includes goodwill from the purchase of certain assets of Intelligent Systems Group business segment ("ISG") of Progeny Systems Corporation.

The estimated fair value of the MUAS reporting unit, the renamed Arcturus acquisition included in the UxS reportable segment, does not substantially exceed its carrying value due to the impairment recorded during the fourth quarter ended April 30, 2023. The fair value of the MUAS reporting unit exceeded its carrying value by 10% as of January 28, 2024, the date of the most recent annual goodwill impairment test. Fair value determinations utilized in the quantitative goodwill impairment test require considerable judgment and are sensitive to changes in underlying assumptions,

estimates, and market factors. Estimating the fair value of individual reporting units requires the Company to make assumptions and estimates regarding future plans, as well as industry, economic, and regulatory conditions. These assumptions and estimates include estimated future annual net cash flows, income tax rates, discount rates, growth rates, and other market factors. Estimated future annual net cash flows based in part upon the Company's ability to obtain contracts from the U.S. Department of Defense and foreign allied nations and negotiate the estimated pricing are considered the most significant, sensitive assumptions. If current expectations of future growth rates and margins are not met, if market factors outside of the Company's control, such as discount rates, income tax rates, or inflation, change, or if management's expectations or plans otherwise change, including updates to long-term operating plans, then the MUAS reporting unit goodwill may become impaired in the future. Accordingly, the MUAS reporting unit is considered at an increased risk of failing future quantitative goodwill impairment tests. The MUAS reporting unit has a goodwill balance of \$135,774,000 as of October 26, 2024. During the most recent annual impairment test during the fourth quarter of fiscal year 2024, the estimated fair value of all reporting units, other than MUAS, substantially exceeded their carrying value.

As of October 26, 2024, the company has not identified any events or circumstances that could trigger an impairment review prior to the Company's annual impairment test. The annual impairment test for the fiscal year ending April 30, 2025 will be performed during the fourth quarter. The intangibles included in the MUAS reporting unit of \$11,847,000 as of October 26, 2024 will also be evaluated for potential impairment during the fourth quarter.

9. Debt

In connection with the consummation of the acquisition of Arcturus, a California corporation, pursuant to a Stock Purchase Agreement with Arcturus and each of the shareholders and other equity interest holders of Arcturus, to purchase 100% of the issued and outstanding equity of Arcturus (the "Arcturus Acquisition") on February 19, 2021, the Company, as borrower, and Arcturus, as guarantor, entered into a Credit Agreement with certain lenders, letter of credit issuers, Bank of America, N.A., as the administrative agent and the swingline lender, and BofA Securities, Inc., JPMorgan Chase Bank, N.A., and U.S. Bank National Association, as joint lead arrangers and joint bookrunners (the "Credit Agreement").

The Credit Agreement and its associated Security and Pledge Agreement set forth the terms and conditions for (i) a five-year \$100,000,000 revolving credit facility, which includes a \$25,000,000 sublimit for the issuance of standby and commercial letters of credit (the "Revolving Facility"), and (ii) a five-year amortized \$200,000,000 term A loan (the "Term Loan Facility", and together with the Revolving Facility, the "Credit Facilities"). Certain existing letters of credit issued by JPMorgan Chase Bank were reserved for under the Revolving Facility at closing and remain outstanding under the terms thereof. Upon execution of the Credit Agreement, the Company drew the full principal of the Term Loan Facility for use in the acquisition of Arcturus. The Term Loan Facility requires payment of 5% of the outstanding obligations in each of the first four loan years, with the remaining 80% payable in loan year five, consisting of three quarterly payments of 1.25% each, with the remaining outstanding principal amount of the Term Loan Facility due and payable on the final maturity date. Proceeds from the Term Loan Facility were used in part to finance a portion of the cash consideration for the Arcturus Acquisition.

Any borrowing under the Credit Agreement may be repaid, in whole or in part, at any time and from time to time without premium or penalty other than customary breakage costs, and any amounts repaid under the Revolving Facility may be reborrowed. Mandatory prepayments are required under the revolving loans when borrowings and letter of credit usage exceed the aggregate revolving commitments of all lenders. Mandatory prepayments are also required in connection with the disposition of assets to the extent not reinvested and unpermitted debt transactions.

In support of its obligations pursuant to the Credit Facilities, the Company has granted security interests in substantially all of the personal property of the Company and its domestic subsidiaries, including a pledge of the equity interests in its subsidiaries (limited to 65% of outstanding equity interests in the case of foreign subsidiaries), and the proceeds thereof, with customary exclusions and exceptions. The Company's existing and future domestic subsidiaries, including Arcturus, are guarantors for the Credit Facilities.

The Credit Agreement contains certain customary representations and warranties and affirmative and negative covenants, including certain restrictions on the ability of the Company and its subsidiaries (as defined in the Credit Agreement) to incur any additional indebtedness or guarantee indebtedness of others, to create liens on properties or assets, or to enter into certain asset and stock-based transactions.

On February 4, 2022, the Company entered into a First Amendment to Credit Agreement and Waiver relating to its existing Credit Agreement (the “First Amendment to Credit Agreement”). The First Amendment to Credit Agreement waives any event of default that may have occurred as a result of the potential failure by the Company to comply with the consolidated leverage ratio covenant set forth in the Credit Agreement for the fiscal quarter ended January 29, 2022. In addition, the parties amended the maximum permitted Consolidated Leverage Ratio, such that such ratio may not exceed 4.00 to 1.00 for the Company’s fiscal quarters ended January 29, 2022 and April 30, 2022; 3.50 to 1.00 for any of the Company’s fiscal quarters ending during the period from May 1, 2022 to October 31, 2022; and 3.00 to 1.00 for any fiscal quarter ending thereafter. On June 6, 2023, the Company entered into a Second Amendment to Credit Agreement relating to its existing Credit Agreement which increased the sublimit from \$10,000,000 to \$25,000,000.

The Credit Agreement, as amended by the First Amendment to Credit Agreement and Second Amendment to the Credit Agreement, contains certain customary events of default, which include failure to make payments when due thereunder, the material inaccuracy of representations or warranties, failure to observe or perform certain covenants, cross-defaults, bankruptcy and insolvency-related events, certain judgments, certain ERISA-related events, invalidity of loan documents, or a Change of Control (as defined in the Credit Agreement). Upon the occurrence and continuation of an event of default, the Lenders may cease making future loans under the Credit Agreement and may declare all amounts owing under the Credit Agreement to be immediately due and payable.

The First Amendment to Credit Agreement also implemented certain secured overnight financing rate (“SOFR”) interest rate mechanics and interest rate reference benchmark replacement provisions in order to effectuate the transition from LIBOR as a reference interest rate. Following the First Amendment to Credit Agreement, the Company has a choice of interest rates between (a) Term SOFR (with a 0% floor) plus the Applicable Margin; or (b) Base Rate (defined as the highest of (a) the Federal Funds Rate plus one-half percent (0.50%), (b) the Bank of America prime rate, and (c) the one (1) month SOFR plus one percent (1.00%)) plus the Applicable Margin. The Applicable Margin is based upon the Consolidated Leverage Ratio (as defined in the Credit Agreement) and whether the Company elects SOFR (ranging from 1.50 - 2.50%) or Base Rate (ranging from 0.50 - 1.50%). The Company may choose interest periods of one, three or six months with respect to Term SOFR and all such rates will include a 0.10% SOFR adjustment. The Company also remains responsible for certain commitment fees from 0.20-0.35% depending on the Consolidated Leverage Ratio, and administrative agent expenses incurred in relation to the Credit Facilities. In the event of a default, an additional 2% default interest rate in addition to the applicable rate if specified or the Base Rate plus Applicable Margin if an applicable rate is not specified.

On October 4, 2024, the Company entered into a Third Amendment to Credit Agreement with the existing lenders, Bank of America, N.A., the administrative agent and the swingline lender, JPMorgan Chase Bank, N.A., and U.S. Bank National Association, and Citibank, N.A. (the “New Lender”) (the “Third Amendment to Credit Agreement” and the existing Credit Agreement as amended thereby, the “Amended Credit Agreement”).

The Amended Credit Agreement now provides for an aggregate \$200,000,000 revolving credit facility, including a \$25,000,000 sublimit for the issuance of standby and commercial letters of credit, and a \$10,000,000 sublimit for swingline loans, secured by all assets of the Company and the Guarantors, and extends the maturity date for obligations pursuant to the Amended Credit Agreement to October 4, 2029. Upon effectiveness of the Amended Credit Agreement, the Company drew \$15,000,000 from the amended Revolving Facility and repaid in full all outstanding amounts owed pursuant to the prior Term Loan Facility. The Amended Credit Agreement reflects the removal of the Term Loan Facility. The unamortized debt issuance costs allocated to the Term Loan Facility of \$590,000 were expensed upon repayment of the Term Loan Facility and recorded in interest expense.

In addition to adding the New Lender and adjusting certain fee schedules, the Amended Credit Agreement also allows the Company to incur additional forms of secured and unsecured permitted indebtedness without separate consent of the Administrative Agent and make certain payments related thereto, including certain bilateral letters of credit, supply chain

financing transactions, securitization transactions pertaining to its accounts receivable, and issuance of unsecured convertible debt pertaining to its Common Stock (and certain call spread transactions related thereto), subject in each instance to further specified parameters, including aggregate dollar limits on certain activities and satisfaction of ongoing and pro forma financial covenants.

The Amended Credit Agreement substitutes a Consolidated Senior Secured Leverage Ratio for the Consolidated Leverage Ratio required to be maintained under the existing Credit Agreement. The Consolidated Leverage Ratio is now an incurrence test, used to determine whether or not the Company may take certain actions, such as borrowing under the Amended Credit Agreement, making acquisitions, incurring certain unsecured debt, or making payments on junior debt. In order to take such actions, the Consolidated Leverage Ratio may not exceed 4.00 to 1.0. However, the ratio increases to 4.50 to 1.0 during a Leverage Increase Period, covering each of the four fiscal quarters of the Company immediately following the consummation of any qualified acquisition. The newly added Consolidated Senior Secured Leverage Ratio, measuring the Consolidated Senior Secured Funded Indebtedness, as of a date of determination, to Consolidated EBITDA for the applicable measurement period, shall not exceed 3.00 to 1.0 at the end of any fiscal quarter of the Company, increasing to 3.50 to 1.0 in a Leverage Increase Period. In each case, no more than one Leverage Increase Period shall be in effect at any time, and the basic ratio levels must be achieved and maintained for at least two fiscal quarters immediately following each Leverage Increase Period prior to giving effect to another Leverage Increase Period. The requirement for the Consolidated Fixed Charge Coverage Ratio to be no less than 1.25 to 1.0 at the end of any fiscal quarter of the Company remains unchanged in the Amended Credit Agreement. The Amended Credit Agreement removes the requirement that the Company prepay the loans with the proceeds of dispositions of assets or newly incurred debt. The Company's ability to borrow under the Revolving Facility is reduced by outstanding letters of credit of \$9,792,000 as of October 26, 2024. As of October 26, 2024, approximately \$175,208,000 was available under the Revolving Facility. Borrowings under the Revolving Facility may be used for working capital and other general corporate purposes, including acquisitions that meet certain parameters. As of October 26, 2024, the Company is in compliance with all amended covenants.

Long-term debt and the current period interest rates were as follows:

	October 26, 2024	April 30, 2024
	(In thousands)	(In thousands)
Term loan	\$ —	\$ 28,000
Revolving credit facility	15,000	—
Total debt	15,000	28,000
Less current portion	—	10,000
Total long-term debt, less current portion	15,000	18,000
Less unamortized debt issuance costs—term loans	—	908
Total long-term debt, net of unamortized debt issuance costs—term loans	\$ 15,000	\$ 17,092
Unamortized debt issuance costs—revolving credit facility	\$ 1,272	\$ 511
Current period interest rate	6.5%	6.9%

Future contractual long-term debt principal payments at October 26, 2024 were as follows:

	(In thousands)
2025	\$ —
2026	—
2027	—
2028	—
2029	15,000
	<u>\$ 15,000</u>

10. Leases

The Company leases certain buildings, land and equipment. At contract inception the Company determines whether the contract is, or contains, a lease and whether the lease should be classified as an operating or a financing lease. Operating leases are recorded in operating lease right-of-use assets, current operating lease liabilities and non-current operating lease liabilities on the unaudited condensed consolidated balance sheet.

The Company recognizes operating lease right-of-use assets and operating lease liabilities based on the present value of the future minimum lease payments over the lease term at commencement date. The Company uses its incremental borrowing rate based on the information available at commencement date to determine the present value of future payments and the appropriate lease classification. The Company defines the initial lease term to include renewal options determined to be reasonably certain. The Company's leases have remaining lease terms of less than one year to seven years, some of which may include options to extend the lease for up to nine years, and some of which may include options to terminate the lease after three years. If the Company determines the option to extend or terminate is reasonably certain, it is included in the determination of lease assets and liabilities. For operating leases, the Company recognizes lease expense for these leases on a straight-line basis over the lease term.

Many of the Company's real estate lease agreements contain incentives for tenant improvements, rent holidays, or rent escalation clauses. For tenant improvement incentives, if the incentive is determined to be a leasehold improvement owned by the lessee, the Company generally records incentive as a reduction to fixed lease payments thereby reducing rent expense. For rent holidays and rent escalation clauses during the lease term, the Company records rental expense on a straight-line basis over the term of the lease. For these lease incentives, the Company uses the date of initial possession as the commencement date, which is generally when the Company is given the right of access to the space and begins to make improvements in preparation for intended use.

The Company does not have any material restrictions or covenants in its lease agreements, sale-leaseback transactions, land easements or residual value guarantees.

In determining the inputs to the incremental borrowing rate calculation, the Company makes judgments about the value of the leased asset, its credit rating and the lease term including the probability of its exercising options to extend or terminate the underlying lease. Additionally, the Company makes judgments around contractual asset substitution rights in determining whether a contract contains a lease.

The components of lease costs recorded in cost of sales and selling, general and administrative ("SG&A") expense were as follows (in thousands):

	<u>Six Months Ended</u> <u>October 26,</u> <u>2024</u>	<u>Six Months Ended</u> <u>October 28,</u> <u>2023</u>
Operating lease cost	\$ 4,980	\$ 4,486
Short term lease cost	398	733
Variable lease cost	840	833
Sublease income	—	—
Total lease costs, net	<u>\$ 6,218</u>	<u>\$ 6,052</u>

Supplemental lease information was as follows:

	<u>Six Months Ended</u> <u>October 26,</u> <u>2024</u>	<u>Six Months Ended</u> <u>October 28,</u> <u>2023</u>
	(In thousands)	(In thousands)
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 4,547	\$ 4,588
Right-of-use assets obtained in exchange for new lease liabilities	\$ 6,554	\$ 7,120
Weighted average remaining lease term	51 months	54 months
Weighted average discount rate	5.5%	5.2%

Maturities of operating lease liabilities as of October 26, 2024 were as follows (in thousands):

2025	\$ 4,991
2026	9,545
2027	9,049
2028	7,068
2029	5,997
Thereafter	3,327
Total lease payments	<u>39,977</u>
Less: imputed interest	(4,696)
Total present value of operating lease liabilities	<u>\$ 35,281</u>

11. Accumulated Other Comprehensive Loss and Reclassifications Adjustments

The components of accumulated other comprehensive loss and adjustments are as follows (in thousands):

	<u>Six Months Ended</u> <u>October 26,</u> <u>2024</u>	<u>Six Months Ended</u> <u>October 28,</u> <u>2023</u>
Balance as of April 30, 2024 and April 30, 2023, respectively	\$ (5,592)	\$ (4,452)
Change in foreign currency translation adjustments	364	(1,625)
Balance as of October 26, 2024 and October 28, 2023, respectively	<u>\$ (5,228)</u>	<u>\$ (6,077)</u>

12. Customer-Funded Research & Development

Customer-funded R&D costs are incurred pursuant to contracts (revenue arrangements) to perform R&D activities according to customer specifications. These costs are direct contract costs and are expensed to cost of sales as costs are incurred. Revenue from customer-funded R&D contracts is recognized in accordance with ASC 606 over time as costs are incurred. Revenue from customer-funded R&D was approximately \$20,280,000 and \$38,839,000 for the three and six months ended October 26, 2024. Revenue from customer-funded R&D was approximately \$19,078,000 and \$43,461,000 for the three and six months ended October 28, 2023.

13. Long-Term Incentive Awards

During the three months ended July 27, 2024, the Company granted awards under its 2021 Equity Incentive Plan (the "2021 Plan") to key employees ("Fiscal 2025 LTIP"). Awards under the Fiscal 2025 LTIP consist of: (i) time-based restricted stock awards and time-based restricted stock units, which vest in equal tranches in July 2025, July 2026 and July 2027, and (ii) performance-based restricted stock units ("PRSUs"), which vest based on the Company's achievement of revenue and non-GAAP adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA") targets for the three-year period ending April 30, 2027. At the award date, target achievement levels for each of the financial performance metrics were established for the PRSUs, at which levels the PRSUs would vest at 100% for each such metric. Threshold achievement levels for which the PRSUs would vest at 50% for each such metric and maximum achievement levels for which such awards would vest at 250% for each such metric were also

established. The actual payout for the PRSUs at the end of the performance period will be calculated based upon the Company's achievement of the established revenue and non-GAAP adjusted EBITDA targets for the performance period. Settlement of the PRSUs will be made in fully-vested shares of the Company's common stock. For the three and six months ended October 26, 2024, the Company recorded \$968,000 and \$1,274,000 of compensation expense related to the Fiscal 2025 LTIP. The Company recorded no compensation expense related to the Fiscal 2025 LTIP for the three and six months ended October 28, 2023. At October 26, 2024, the maximum compensation expense that may be recorded for the performance-based portion of the Fiscal 2025 LTIP is \$23,359,000.

During the three months ended July 29, 2023, the Company granted awards under the 2021 Plan to key employees ("Fiscal 2024 LTIP"). Awards under the Fiscal 2024 LTIP consist of: (i) time-based restricted stock awards and time-based restricted stock units, which vest in equal tranches in July 2024, July 2025 and July 2026, and (ii) PRSUs, which vest based on the Company's achievement of revenue and non-GAAP operating income targets for the three-year period ending April 30, 2026. At the award date, target achievement levels for each of the financial performance metrics were established for the PRSUs, at which levels the PRSUs would vest at 100% for each such metric. Threshold achievement levels for which the PRSUs would vest at 50% for each such metric and maximum achievement levels for which such awards would vest at 250% for each such metric were also established. The actual payout for the PRSUs at the end of the performance period will be calculated based upon the Company's achievement of the established revenue and non-GAAP operating income targets for the performance period. Settlement of the PRSUs will be made in fully-vested shares of the Company's common stock. For the three and six months ended October 26, 2024, the Company recorded \$1,078,000 and \$2,190,000 of compensation expense related to the Fiscal 2024 LTIP, respectively. For the three and six months ended October 28, 2023, the Company recorded \$1,200,000 and \$1,834,000 of compensation expense related to the Fiscal 2024 LTIP, respectively. At October 26, 2024, the maximum compensation expense that may be recorded for the performance-based portion of the Fiscal 2024 LTIP is \$19,929,000.

During the three months ended July 30, 2022, the Company granted awards under the 2021 Plan to key employees ("Fiscal 2023 LTIP"). Awards under the Fiscal 2023 LTIP consist of: (i) time-based restricted stock awards and time-based restricted stock units, which vest in equal tranches in July 2023, July 2024 and July 2025, and (ii) PRSUs, which vest based on the Company's achievement of revenue and non-GAAP adjusted EBITDA targets for the three-year period ending April 30, 2025. At the award date, target achievement levels for each of the financial performance metrics were established for the PRSUs, at which levels the PRSUs would vest at 100% for each such metric. Threshold achievement levels for which the PRSUs would vest at 50% for each such metric and maximum achievement levels for which such awards would vest at 250% for each such metric were also established. The actual payout for the PRSUs at the end of the performance period will be calculated based upon the Company's achievement of the established revenue and non-GAAP adjusted EBITDA targets for the performance period. Settlement of the PRSUs will be made in fully-vested shares of the Company's common stock. For the three and six months ended October 26, 2024, the Company recorded \$801,000, and \$1,666,000 of compensation expense related to the Fiscal 2023 LTIP, respectively. For the three and six months ended October 28, 2023, the Company recorded \$1,191,000 and \$1,852,000 of compensation expense related to the Fiscal 2023 LTIP, respectively. At October 26, 2024, the maximum compensation expense that may be recorded for the performance-based portion of the Fiscal 2023 LTIP is \$15,303,000.

During the three months ended July 31, 2021, the Company also granted awards under the Restated 2006 Plan to key employees ("Fiscal 2022 LTIP"). Awards under the Fiscal 2021 LTIP consist of: (i) time-based restricted stock awards, which vest in equal tranches in July 2022, July 2023 and July 2024, and (ii) PRSUs, which vest based on the Company's achievement of revenue and operating income targets for the three-year period ending April 30, 2024. During the three months ended July 27, 2024, the Company issued a total of 15,427 fully-vested shares of the Company's common stock to settle the PRSUs in the Fiscal 2022 LTIP. For the three and six months ended October 26, 2024, the Company recorded no compensation expense. For the three and six months ended October 28, 2023, the Company recorded \$356,000 and \$488,000 of compensation expense related to the Fiscal 2022 LTIP, respectively.

At each reporting period, the Company reassesses the probability of achieving the performance targets for the PRSUs. The estimation of whether the performance targets will be achieved requires judgment, and, to the extent actual results or updated estimates differ from the Company's current estimates, the cumulative effect on current and prior periods of those changes will be recorded in the period estimates are revised. No compensation cost is ultimately recognized for awards for which employees do not render the requisite service and are forfeited.

14. Income Taxes

For the three and six months ended October 26, 2024, the Company recorded a benefit from income taxes of \$(221,000), and a provision for income taxes of \$1,264,000 yielding an effective tax rate of (3.5)% and 4.4%, respectively. For the three and six months ended October 28, 2023, the Company recorded a provision for income taxes of \$1,137,000 and \$2,451,000, respectively, yielding an effective tax rate of 5.6% for both periods. The variance from statutory rates for the three and six months ended October 26, 2024 was primarily due to foreign-derived intangible income (“FDII”) deductions, federal R&D credits and excess tax benefits from the exercise of stock options and vesting of equity awards. The variance from statutory rates for the three and six months ended October 28, 2023 was primarily due to foreign derived intangible income deductions and to federal R&D credits.

15. Share Repurchase Plan and Issuances

On September 8, 2022 the Company filed an S-3 shelf registration statement to offer and sell shares of the Company’s common stock, including a prospectus supplement in relation to an Open Market Sale AgreementSM, also dated September 8, 2022, with Jefferies LLC relating to the proposed offer and sale of shares of the Company’s common stock having an aggregate offering price of up to \$200,000,000 from time to time through Jefferies LLC as the sales agent. During the three and six months ended October 28, 2023, the Company sold 807,370 shares for total gross proceeds of \$91,313,000, total proceeds received of \$88,574,000, net of commission expense and \$88,437,000 net of equity issuance costs. As of October 28, 2023, the Company completed the Open Market Sale AgreementSM and sold 1,917,100 of its shares for total gross proceeds of \$200,000,000, total proceeds received of \$193,999,000, net of commission expense and \$193,086,000 net of equity issuance costs.

16. Business Acquisitions

Tomahawk Acquisition

On September 15, 2023, the Company closed its acquisition of Tomahawk Robotics, Inc., a leader in AI-enabled robotic control systems. Pursuant to the merger agreement, the Company acquired 100% of Tomahawk equity for an aggregate purchase price of \$134,467,000 consisting of 985,999 shares of restricted common stock of the Company valued at \$109,820,000 and \$27,205,000 cash-on-hand, net of \$3,048,000 cash acquired, plus a \$490,000 holdback. During the fiscal year ended April 30, 2024, the holdback was decreased \$100,000 as part of the working capital adjustment, and the total purchase price and goodwill, therefore, decreased by \$100,000 as well. The remaining \$390,000 holdback was paid during the three months ended October 26, 2024. The fair value of the shares issued was the closing price on September 15, 2023, the close of the Tomahawk purchase agreement. Tomahawk is incorporated into AeroVironment’s UxS segment. The acquisition will enable deeper integration of both companies’ technology, leading to enhanced interoperability and interconnectivity of uncrewed systems through a singular platform with similar control features. The Company accounted for the acquisition under the acquisition method of accounting for business combinations.

[Table of Contents](#)

The following table summarizes the final allocation of the purchase price over the estimated fair value of the assets and liabilities assumed in the acquisition of Tomahawk (in thousands):

	September 15,
	2023
Fair value of assets acquired:	
Accounts receivable	\$ 2,314
Unbilled receivable	993
Inventories, net	2,882
Prepaid and other current assets	148
Property and equipment, net	1,789
Operating lease assets	1,337
Other assets	71
Technology	39,000
Customer relationship	4,800
Trademarks	1,600
Deferred tax asset	2,865
Goodwill	95,414
Total identifiable net assets	\$ 153,213
Fair value of liabilities assumed:	
Accounts payable	3,788
Wages and related accruals	620
Customer advances	1,648
Current operating lease liabilities	482
Other current liabilities	411
Non-current operating lease liabilities	855
Other non-current liabilities	7
Deferred income taxes	11,035
Total liabilities assumed	18,846
Total identifiable net assets	\$ 134,367
Fair value of consideration transferred:	
Equity consideration	\$ 109,820
Cash consideration, net of cash acquired	24,157
Holdback	390
Total consideration	\$ 134,367

Determining the fair value of the intangible assets acquired requires significant judgment, including the amount and timing of expected future cash flows, long-term growth rates and discount rates. The fair value of the intangible assets was determined using a discounted cash flow analysis, which were based on the Company's preliminary estimates of future sales, earnings and cash flows after considering such factors as general market conditions, anticipated customer demand, changes in working capital, long term business plans and recent operating performance. Use of different estimates and judgments could yield materially different results.

The goodwill is attributable to the synergies the Company expects to achieve through leveraging the acquired technology to its existing customers, the workforce of Tomahawk and expected future customers in the UxS market. For income tax purposes the acquisition is treated as a stock acquisition, as such the goodwill associated with this purchase is not deductible.

Tomahawk Supplemental Pro Forma Information (unaudited)

The following unaudited pro forma summary presents condensed consolidated information of the Company as if the business acquisition had occurred on May 1, 2023 (in thousands):

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>October 28,</u>		<u>October 28,</u>	
	<u>2023</u>		<u>2023</u>	
Revenue	\$	184,323	\$	343,684
Net income	\$	17,420	\$	37,007

The Company did not have any material, nonrecurring pro forma adjustments directly attributable to the business acquisition included in the reported pro forma revenue and earnings.

These pro forma amounts have been calculated by applying the Company's accounting policies, assuming transaction costs had been incurred during the three months ended July 30, 2023, reflecting the additional amortization that would have been charged and including the results of Tomahawk prior to acquisition.

The unaudited pro forma supplemental information is based on estimates and assumptions, which the Company believes are reasonable and are not necessarily indicative of the results that have been realized had the acquisition been consolidated in the tables above as of May 1, 2023, nor are they indicative of results of operations that may occur in the future.

17. Pension

As part of the Telerob acquisition, the Company acquired a small foreign-based defined benefit pension plan. The Rheinmetall-Zusatzversorgung service plan covers three former employees based on individual contracts issued to the employees. No other employees are eligible to participate. The Company has reinsurance policies that were taken out for participating former employees, which were pledged to the employees. The measurement date for the Company's pension plan was April 30, 2024.

The table below includes the projected benefit obligation and fair value of plan assets as of April 30, 2024. The net fair value of plan assets (in thousands) is recorded in other assets on the unaudited condensed consolidated balance sheet.

	<u>April 30,</u>	
	<u>2024</u>	
	<u>(In thousands)</u>	
Projected benefit obligation	\$	(3,246)
Fair value of plan assets		3,636
Funded status of the plan	\$	390

The projected benefit obligation includes assumptions of a discount rate of 3.9% and pension increase for in-payment benefits of 2.5% for both October 26, 2024 and April 30, 2024. The accumulated benefit obligation is approximately equal to the Company's projected benefit obligation. The plan assets consist of reinsurance policies for each of the three pension commitments. The reinsurance policies are fixed-income investments considered a level 2 fair value hierarchy based on observable inputs of the policy. The Company does not expect to make any contributions to the plan in the fiscal year ending April 30, 2025. The Company assumed expected return on plan assets of 2.9% for October 26, 2024 and April 30, 2024.

Expected benefit payments as of April 30, 2024 (in thousands):

2025	\$	188
2026		192
2027		195
2028		197
2029		199
2030-2034		1,014
Total expected benefit payments	\$	<u>1,985</u>

Net periodic benefit cost (in thousands) is recorded in interest expense, net.

	Three Months Ended		Six Months Ended	
	October 26,	October 28,	October 26,	October 28,
	2024	2023	2024	2023
Expected return on plan assets	\$ —	\$ —	\$ —	\$ —
Interest cost	29	29	57	59
Actuarial gain	—	—	—	—
Net periodic benefit cost	\$ 29	\$ 29	\$ 57	\$ 59

18. Segments

The accounting policies of the segments are the same as those described in Note 1, “Organization and Significant Accounting Policies.” The operating segments do not make sales to each other. Effective May 1, 2024, segment adjusted gross margin is the measure of profitability used by the CODM for purposes of making decisions about allocating resources to the segments and assessing performance. Segment adjusted gross margin is defined as gross margin before intangible amortization expense including amortization of purchase accounting adjustments. Prior period segment information has been revised to align with the new segment measure of profitability.

	Three Months Ended October 26, 2024			
	UxS	LMS	MW	Total
Revenue:				
Product sales	\$ 79,147	\$ 71,930	\$ 154	\$ 151,231
Contract services	6,269	5,785	25,173	37,227
	\$ 85,416	\$ 77,715	\$ 25,327	\$ 188,458
Segment adjusted gross margin	\$ 41,363	\$ 30,157	\$ 5,838	\$ 77,358
Depreciation and amortization	\$ 6,910	\$ 868	\$ 1,224	\$ 9,002

[Table of Contents](#)

	Three Months Ended October 28, 2023			
	UxS	LMS	MW	Total
Revenue:				
Product sales	\$ 120,955	\$ 23,982	\$ 842	\$ 145,779
Contract services	11,818	6,267	16,952	35,037
	\$ 132,773	\$ 30,249	\$ 17,794	\$ 180,816

Segment adjusted gross margin	\$ 65,613	\$ 9,345	\$ 3,604	\$ 78,562
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Depreciation and amortization	\$ 6,428	\$ 617	\$ 1,392	\$ 8,437
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	Six Months Ended October 26, 2024			
	UxS	LMS	MW	Total
Revenue:				
Product sales	\$ 191,448	\$ 119,110	\$ 177	\$ 310,735
Contract services	13,944	10,578	42,684	67,206
	\$ 205,392	\$ 129,688	\$ 42,861	\$ 377,941

Segment adjusted gross margin	\$ 108,596	\$ 43,429	\$ 10,513	\$ 162,538
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Depreciation and amortization	\$ 13,810	\$ 1,669	\$ 2,375	\$ 17,854
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	Six Months Ended October 28, 2023			
	UxS	LMS	MW	Total
Revenue:				
Product sales	\$ 214,186	\$ 49,307	\$ 1,757	\$ 265,250
Contract services	16,794	11,859	39,260	67,913
	\$ 230,980	\$ 61,166	\$ 41,017	\$ 333,163

Segment adjusted gross margin	\$ 116,039	\$ 21,668	\$ 8,912	\$ 146,619
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Depreciation and amortization	\$ 11,581	\$ 1,176	\$ 2,630	\$ 15,387
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The following table (in thousands) provides a reconciliation from segment adjusted gross margin to income before income taxes:

	Three Months Ended	Three Months Ended	Six Months Ended	Six Months Ended
	October 26, 2024	October 28, 2023	October 26, 2024	October 28, 2023
Segment adjusted gross margin	\$ 77,358	\$ 78,562	\$ 162,538	\$ 146,619
Amortization in cost of sales	(3,720)	(3,212)	(7,433)	(5,609)
Selling, general and administrative	(37,916)	(28,147)	(71,711)	(51,974)
Research and development	(28,716)	(22,025)	(53,329)	(37,491)
Interest expense, net	(690)	(1,950)	(929)	(3,958)
Other expense, net	16	(2,858)	(218)	(3,987)
Income before income taxes	\$ 6,332	\$ 20,370	\$ 28,918	\$ 43,600

Identifiable segment assets are summarized in the table below. Corporate assets primarily consist of cash and cash equivalents, prepaid expenses and other current assets, long-term investments, property and equipment, net, operating lease right-of-use assets, deferred income taxes and other assets managed centrally on behalf of the business segments.

	<u>UxS</u>	<u>LMS</u>	<u>MW</u>	<u>Corporate</u>	<u>Total</u>
As of October 26, 2024	\$ 505,008	\$ 238,316	\$ 55,394	\$ 220,367	\$ 1,019,085
As of April 30, 2024	\$ 590,619	\$ 165,413	\$ 50,767	\$ 209,061	\$ 1,015,860

19. Subsequent Events

On November 19, 2024, the Company announced the execution of a definitive agreement under which the Company will acquire BlueHalo in an all-stock transaction. The Company, Merger Sub, BlueHalo, and BlueHalo Holdings Parent, LLC, a Delaware limited liability company and sole member of BlueHalo Financing Topco, LLC (“Seller”), entered into an Agreement and Plan of Merger (the “Merger Agreement”), pursuant to which, and subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement, Merger Sub will merge with and into BlueHalo, with BlueHalo continuing as a wholly owned subsidiary of the Company and the surviving company of the merger (the “Merger” and together with the other transactions contemplated by the Merger Agreement, the “Transactions”).

Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger (the “Effective Time”), all of the equity interests of BlueHalo issued and outstanding immediately prior to the Effective Time shall be automatically converted into the right to receive a number of shares of the Company’s common stock (“Company Common Stock”) equal to 18,548,698 shares (the “Transaction Consideration”), which will represent approximately 39.5% of the fully diluted shares outstanding of the pro forma combined company immediately prior to the execution and delivery of the Merger Agreement. The Transaction Consideration is subject to downwards adjustments, which shall be determined prior to the consummation of the Transactions (the “Closing”), for certain items of leakage, distribution or payment of cash or other property up to the Closing, incurred by BlueHalo and its subsidiaries since June 30, 2024 as set forth in the Merger Agreement.

The closing of the Merger is subject to satisfaction or waiver of certain conditions including, among other things, (i) the required approval by the Company’s stockholders, the Company’s stockholders, holders of incentive units and restricted common units of Seller (the “Seller Members”) and Seller, as the sole member of BlueHalo (ii) the accuracy of the respective representations and warranties of each party, subject to certain materiality qualifications, (iii) compliance by the parties with their respective covenants, (iv) the absence of any order that is in effect and restrains, enjoins or otherwise prohibits the consummation of the Merger, (v) the receipt of specified regulatory approvals and the expiration or termination of applicable waiting periods, including the expiration or termination of the applicable waiting period under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended (the “Required Regulatory Approvals”) (vi) the shares of Company Common Stock to be issued in the Merger being approved for listing (subject to official notice of issuance) on Nasdaq as of the Closing, (vii) the Registration Statement (as defined below) having become effective in accordance with the provisions of the Securities Act of 1933, as amended, and not being subject to any stop order or proceeding (or threatened proceeding by the Securities and Exchange Commission (the “SEC”) seeking a stop order with respect to the Registration Statement that has not been withdrawn, (viii) delivery of certain closing certificates and executed ancillary agreements, (ix) the absence of any material adverse effect with respect to BlueHalo or the Company, (x) receipt of certain waivers and evidence that a shareholder vote was solicited related to Section 280G of the United States Internal Revenue Code of 1986, as amended, and (xi) receipt by the Company of executed Joinder and Lock-Up Agreements from Seller Members entitled to receive at least 85% of the Transaction Consideration, as adjusted.

The Merger Agreement contains customary representations, warranties and covenants made by the Company, BlueHalo, and the Seller, including covenants relating to obtaining the requisite approvals of the stockholders of the Company, the Seller Members and Seller, as the sole member of BlueHalo, indemnification of directors and officers, and the Company’s and Seller and BlueHalo’s conduct of their respective businesses between the date of signing the Merger Agreement and the closing of the Merger.

The Merger Agreement further provides that the Company may be required to pay a termination fee of \$200,000,000 to Seller upon termination of the Merger Agreement under specified circumstances, including (i) termination by the Company to accept an Alternative Sale Transaction, (ii) termination by Seller due to the occurrence of a Company Board Adverse Recommendation Change or (iii) if the Company consummates an Alternative Sale Transaction within 9 months of termination of the Merger Agreement, subject to certain conditions as set forth in the Merger Agreement.

Concurrently with the execution and delivery of the Merger Agreement, Arlington Capital Partners V, L.P. and Arlington Capital Partners VI, L.P., the equityholders of the Key Seller Member (collectively, the “Sponsor Members”) have entered into a shareholder’s agreement (the “Shareholder’s Agreement”) with the Company pursuant to which the Sponsor Members have, among other things, agreed to abide by customary standstill covenants, obligations to vote consistent with the recommendation of the Company Board, and customary employee non-solicit restrictions with respect to the employees of the Company and its subsidiaries (including BlueHalo and its subsidiaries after the Closing). The Company has, among other things, agreed to provide the Sponsor Members with certain board designation rights and customary registration rights, including customary demand and piggyback rights. The Sponsor Members will have such designation rights to designate two directors until it and its affiliates cease to collectively hold and own, directly or indirectly, at least 20% of the issued and outstanding Company Common Stock and the Sponsor Members will have such designation rights to designate one director until they and their affiliates cease to collectively hold and own, directly or indirectly, at least 15% but less than 20% of the issued and outstanding Company Common Stock. The Sponsor Members are expected to beneficially own approximately 26.2% of the Company Common Stock at Closing (assuming no adjustments under the Merger Agreement).

At the Effective Time, the Board of Directors of the Company (the “New Company Board”) is expected to consist of ten members, two of whom may be designated by the Sponsor Members for approval by the stockholders of the Company for appointment to the New Company Board, subject to certain conditions and qualifications as set forth in the Shareholder’s Agreement.

In connection with the Merger Agreement, the Company entered into a commitment letter (the “Debt Commitment Letter”) with BofA NA and BofA Securities, Inc. (collectively, “BofA”) and JPM (JPM and BofA, collectively, the “Joint Lead Arrangers”) on November 18, 2024, pursuant to which the Joint Lead Arrangers have committed to amend the Existing Credit Agreement (such amendment, the “Credit Agreement Amendment”) to provide a new Term Loan A facility (the “Acquisition Financing Facility”). The initial principal amount of the Acquisition Financing Facility will be \$700,000,000, and the Acquisition Financing Facility will have a maturity date of two years from effective date of the Credit Agreement Amendment. The Joint Lead Arrangers expect that the effective date of the Credit Agreement Amendment will be prior to the date of the Closing. The proceeds of the Acquisition Financing Facility will be used to refinance a portion of BlueHalo’s debt and pay fees, costs and expenses incurred in connection with the Transactions. The definitive documentation governing the Financing has not been finalized, and accordingly, the actual terms may differ from the description of such terms in the Debt Commitment Letter. The consummation of the Transactions is not conditioned upon receipt of the proceeds from the Acquisition Financing Facility or any replacement financing.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of our financial condition and the results of operations as of and for the periods presented below. The following discussion and analysis should be read in conjunction with the “Condensed Consolidated Financial Statements” and notes thereto included elsewhere in this Quarterly Report on Form 10-Q. This section and other parts of this Quarterly Report on Form 10-Q contain forward-looking statements that involve risks and uncertainties. In some cases, forward-looking statements can be identified by words such as “anticipates,” “believes,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions. Such forward-looking statements are based on current expectations, estimates and projections about our industry, our management’s beliefs and assumptions made by our management. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed in Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended April 30, 2024, as updated by our subsequent filings under the Securities and Exchange Act of 1934, as amended (the “Exchange Act”).

Unless required by law, we expressly disclaim any obligation to update publicly any forward-looking statements, whether as result of new information, future events or otherwise.

Critical Accounting Estimates

The following should be read in conjunction with the critical accounting estimates presented in our Annual Report on Form 10-K for the fiscal year ended April 30, 2024.

Management’s Discussion and Analysis of Financial Condition and Results of Operations discusses our condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. When we prepare these condensed consolidated financial statements, we are required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Some of our accounting policies require that we make subjective judgments, including estimates that involve matters that are inherently uncertain. Our most critical estimates include those related to revenue recognition, inventory reserves for excess and obsolescence, intangible assets acquired in a business combination, goodwill, and income taxes. We base our estimates and judgments on historical experience and on various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for our judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Our actual results may differ from these estimates under different assumptions or conditions.

Revenue Recognition

We recognize revenue in accordance with ASU 2014-09, *Revenue from Contracts with Customers* (“ASC 606”). ASC 606 requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which we expect to be entitled in exchange for those goods or services.

Revenue for LMS product deliveries, customization of UGV transport vehicles and customer-funded research and development contracts is recognized over time as costs are incurred. Contract services revenue is for the provision of services, including repairs and maintenance, training, engineering design, development and prototyping activities, and technical support services. Contract services revenue, which historically included ISR services, is recognized over time as services are rendered. We elected the right to invoice practical expedient in which if an entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity’s performance completed to date, such as flight hours for ISR services, the entity may recognize revenue in the amount to which the entity has a right to invoice. Training services are recognized over time using an output method based on days of training completed. For performance obligations satisfied over time, revenue is generally recognized using costs incurred to date relative to total estimated costs at completion to measure progress. Incurred costs represent work performed, which correspond with, and thereby best depict, transfer of control to the customer. Contract costs include

labor, materials, subcontractors' costs, other direct costs, and indirect costs applicable on government and commercial contracts.

For performance obligations which are not satisfied over time per the aforementioned criteria above, revenue is recognized at the point in time in which each performance obligation is fully satisfied. Our Uncrewed Systems product sales revenue is primarily composed of revenue recognized on contracts for the delivery of UxS systems and spare parts, respectively. Revenue is recognized at the point in time when control transfers to the customer, which generally occurs when title and risk of loss have passed to the customer.

We review cost performance, estimates-to-complete and variable consideration at least quarterly and in many cases more frequently. Adjustments to original estimates for a contract's revenue, estimated costs at completion and estimated profit or loss are often required as work progresses under a contract, as experience is gained and as more information is obtained, even though the scope of work required under the contract may not change, or if contract modifications, including the finalization of undefinitized contract actions, occur. The impact of revisions in estimate of completion and variable consideration for all types of contracts are recognized on a cumulative catch-up basis in the period in which the revisions are made. Changes in variable consideration associated with the finalization of undefinitized contract actions could result in cumulative catch up adjustments to revenue that could be material. During the three and six months ended October 26, 2024 and October 28, 2023, changes in accounting estimates on contracts recognized using the over time method are presented below. Amounts representing contract change orders or claims are included in revenue if the order or claim meets the criteria of a contract or contract modification in accordance with ASC 606. Incentives or penalties and awards applicable to performance on contracts are considered in estimating revenue and profit rates, and are recorded when there is sufficient information to assess anticipated contract performance.

For the three months ended October 26, 2024 and October 28, 2023, favorable and unfavorable cumulative catch-up adjustments included in revenue were as follows (in thousands):

	Three Months Ended	
	October 26, 2024	October 28, 2023
Gross favorable adjustments	\$ 8,909	\$ 4,138
Gross unfavorable adjustments	(1,936)	(1,321)
Net favorable adjustments	<u>\$ 6,973</u>	<u>\$ 2,817</u>

For the three months ended October 26, 2024, favorable cumulative catch-up adjustments of \$8.9 million were primarily due to final cost adjustments on five contracts. During the three months ended October 26, 2024, we definitized certain LMS undefinitized contract actions. The aggregate impact of these cumulative catch-up revenue adjustments for the contract definitization was an increase to revenue of approximately \$9.9 million. The remaining adjustments individually were not material. For the same period, unfavorable cumulative catch-up adjustments of \$1.9 million were primarily related to higher than expected costs on 26 contracts, which individually were not material.

For the three months ended October 28, 2023, favorable cumulative catch-up adjustments of \$4.1 million were primarily due to final cost adjustments on seven contracts. During the three months ended October 28, 2023, we revised our estimates of the total expected costs to complete an LMS variant contract. The aggregate impact of these adjustments in contract estimates on revenue related to performance obligations satisfied or partially satisfied in previous periods was an increase to revenue of approximately \$1.7 million. For the same period, unfavorable cumulative catch-up adjustments of \$1.3 million were primarily related to higher than expected costs on seven contracts, which individually were not material.

[Table of Contents](#)

For the six months ended October 26, 2024 and October 28, 2023, favorable and unfavorable cumulative catch-up adjustments included in revenue were as follows (in thousands):

	Six Months Ended	
	October 26, 2024	October 28, 2023
Gross favorable adjustments	\$ 10,285	\$ 5,562
Gross unfavorable adjustments	(1,730)	(2,018)
Net favorable (unfavorable) adjustments	<u>\$ 8,555</u>	<u>\$ 3,544</u>

For the six months ended October 26, 2024, favorable cumulative catch-up adjustments of \$10.3 million were primarily due to final cost adjustments on four contracts. During the six months ended October 26, 2024, we definitized certain LMS undefinitized contract actions. The aggregate impact of these cumulative catch-up revenue adjustments for the contract definitization was an increase to revenue of approximately \$9.9 million. The remaining adjustments individually were not material. For the same period, unfavorable cumulative catch-up adjustments of \$1.7 million were primarily related to higher than expected costs on 26 contracts, which individually were not material.

For the six months ended October 28, 2023, favorable cumulative catch-up adjustments of \$5.6 million were primarily due to final cost adjustments on 10 contracts. During the six months ended October 28, 2023, we revised our estimates of the total expected costs to complete an LMS variant contract. The aggregate impact of these adjustments in contract estimates on revenue related to performance obligations satisfied or partially satisfied in previous periods was an increase to revenue of approximately \$1.4 million. For the same period, unfavorable cumulative catch-up adjustments of \$2.0 million were primarily related to higher than expected costs on 10 contracts, which individually were not material.

Goodwill

Goodwill represents the excess of the cost of an acquired entity over the fair value of the acquired net assets. We test goodwill for impairment annually during the fourth quarter of our fiscal year or when events or circumstances change in a manner that indicates goodwill might be impaired. Events or circumstances that could trigger an impairment review include, but are not limited to, a significant adverse change in legal factors or in the business or political climate, an adverse action or assessment by a regulator, unanticipated competition, a loss of key personnel, significant changes in the manner of our use of the acquired assets or the strategy for our overall business, significant negative industry or economic trends or significant underperformance relative to projected future results of operations.

Our evaluation of goodwill for impairment involves the comparison of the fair value of each reporting unit to its carrying value. For the impairment test, we first assess qualitative factors, macroeconomic conditions, industry and market considerations, triggering events, cost factors, and overall financial performance, to determine whether it is necessary to perform a quantitative goodwill impairment test. Alternatively, we may bypass the qualitative assessment for some or all of our reporting units and apply the quantitative impairment test. If determined to be necessary, the quantitative impairment test shall be used to identify goodwill impairment and measure the amount of a goodwill impairment loss to be recognized (if any). For the quantitative impairment test we estimate the fair value by weighting the results from the income approach and the market approach. These valuation approaches consider a number of factors that include, but are not limited to, prospective financial information, growth rates, terminal value, discount rates, and comparable multiples from publicly traded companies in our industry and require us to make certain assumptions and estimates regarding industry economic factors and future profitability of our business.

Subsequent to the performance of our annual goodwill impairment test for fiscal year 2023, in May 2023 a trigger event was identified that indicated that the carrying value of the MUAS reporting unit exceeded its fair value. Specifically, we received notification that we were not down selected for a U.S. D.o.D. program of record which resulted in a significant decrease in the projected future cash flows of the MUAS reporting unit. As a result, we updated our estimates of long-term future cash flows to reflect lower revenue and profitability growth rate expectations used in the valuation of the MUAS reporting unit. These changes in estimates, resulted in the recognition of a goodwill impairment charge of \$156.0 million in the MUAS reporting unit during the fiscal year ended April 30, 2023.

As of October 26, 2024, our MUAS reporting unit had a goodwill balance of \$135.8 million. The estimated fair value of the MUAS reporting unit does not substantially exceed its carrying value due to the impairment recorded during the fourth quarter ended April 30, 2023. The fair value of the MUAS reporting unit exceeded its carrying value by 10% as of January 28, 2024, the date of the most recent annual goodwill impairment test. Fair value determinations utilized in the quantitative goodwill impairment test require considerable judgment and are sensitive to changes in underlying assumptions, estimates, and market factors. Estimating the fair value of individual reporting units requires us to make assumptions and estimates regarding future plans, as well as industry, economic, and regulatory conditions. These assumptions and estimates include estimated future annual net cash flows, income tax rates, discount rates, growth rates, and other market factors. Estimated future annual net cash flows based in part upon our ability to obtain contracts from the U.S. D.o.D. and foreign allied nations and negotiate the estimated pricing are considered the most significant, sensitive assumptions. If current expectations of future growth rates and margins are not met, if market factors outside of our control, such as discount rates, income tax rates, or inflation, change, or if management's expectations or plans otherwise change, including updates to long-term operating plans, then MUAS may become impaired in the future. Accordingly, the MUAS reporting unit is considered at an increased risk of failing future quantitative goodwill impairment tests. The intangibles included in the MUAS reporting unit of \$11.8 million as of October 26, 2024 will also be evaluated for potential impairment during the fourth quarter impairment test. During the most recent annual impairment test during the fourth quarter of fiscal year 2024, the estimated fair value of all reporting units, other than MUAS, substantially exceeded their carrying value. As of October 26, 2024, we have not identified any events or circumstances that could trigger an impairment review prior to the Company's annual impairment test.

The estimates and assumptions used to determine the fair value of our reporting units are highly subjective in nature. Actual results can be materially different from the estimates and assumptions. If actual market conditions are less favorable than those projected by the industry or by us, or if events occur or circumstances change that would reduce the estimated fair value of our indefinite-lived intangible assets below the carrying amounts, we could recognize future impairment charges, the amount of which could be material.

Fiscal Periods

Due to our fixed year end date of April 30, our first and fourth quarters each consist of approximately 13 weeks. The second and third quarters each consist of exactly 13 weeks. Our first three quarters end on a Saturday. Our 2025 fiscal year ends on April 30, 2025 and our fiscal quarters end on July 27, 2024, October 26, 2024 and January 25, 2025, respectively.

Results of Operations

The following tables set forth our results of operations for the periods indicated (in thousands):

Three Months Ended October 26, 2024 Compared to Three Months Ended October 28, 2023

	Three Months Ended	
	October 26, 2024	October 28, 2023
Revenue	\$ 188,458	\$ 180,816
Cost of sales	114,820	105,466
Gross margin	73,638	75,350
Selling, general and administrative	37,916	28,147
Research and development	28,716	22,025
Income from operations	7,006	25,178
Other loss:		
Interest expense, net	(690)	(1,950)
Other income (expense), net	16	(2,858)
Income before income taxes	6,332	20,370
(Benefit from) provision for income taxes	(221)	1,137
Equity method investment income (loss), net of tax	990	(1,393)
Net income	<u>\$ 7,543</u>	<u>\$ 17,840</u>

We have identified three reportable segments, Uncrewed Systems (“UxS”), Loitering Munitions Systems (“LMS”) and MacCready Works (“MW”). The UxS segment consists of our SUAS, including our Tomahawk acquisition, MUAS and UGV product lines. The LMS segment consists of our renamed existing tactical missile systems product lines. The MW segment consists of our MacCready Works products and services and the development of High Altitude Pseudo-Satellite systems (“HAPS”). The following tables (in thousands) set forth our segment revenue and segment adjusted gross margin for the periods indicated. Prior period segment information has been revised to align with the new segment measure of profitability. Segment adjusted gross margin is defined as gross margin before intangible amortization expense including amortization of purchase accounting adjustments. All corporate and headquarter expenses are allocated to the reportable segments.

	UxS	Three Months Ended October 26, 2024		Total
		LMS	MW	
Revenue:				
Product sales	\$ 79,147	\$ 71,930	\$ 154	\$ 151,231
Contract services	6,269	5,785	25,173	37,227
	<u>\$ 85,416</u>	<u>\$ 77,715</u>	<u>\$ 25,327</u>	<u>\$ 188,458</u>
Segment adjusted gross margin	\$ 41,363	\$ 30,157	\$ 5,838	
	UxS	Three Months Ended October 28, 2023		Total
		LMS	MW	
Revenue:				
Product sales	\$ 120,955	\$ 23,982	\$ 842	\$ 145,779
Contract services	11,818	6,267	16,952	35,037
	<u>\$ 132,773</u>	<u>\$ 30,249</u>	<u>\$ 17,794</u>	<u>\$ 180,816</u>
Segment adjusted gross margin	\$ 65,613	\$ 9,345	\$ 3,604	

We recorded intangible amortization expense and other purchase accounting adjustments in the following categories on the accompanying unaudited condensed consolidated statements of operations:

	Three Months Ended		Six Months Ended	
	October 26, 2024	October 28, 2023	October 26, 2024	October 28, 2023
Cost of sales:				
Product sales	\$ 2,623	\$ 1,856	\$ 5,240	\$ 2,896
Contract services	1,097	1,356	2,193	2,712
Selling, general and administrative	1,075	1,201	2,150	1,970
Total	\$ 4,795	\$ 4,413	\$ 9,583	\$ 7,578

Revenue. Revenue for the three months ended October 26, 2024 was \$188.5 million, as compared to \$180.8 million for the three months ended October 28, 2023, representing an increase of \$7.6 million, or 4%. The increase in revenue was due to an increase in product revenue of \$5.4 million and an increase in service revenue of \$2.2 million. The increase in product revenue was primarily due to an increase of \$47.9 million from the production of our Switchblade products primarily driven by increased global demand for our Switchblade products associated with the current global conflicts as well as U.S. D.o.D. resupply and a cumulative catch-up revenue adjustment for the definitization of LMS contracts of \$9.9 million. The increase was partially offset by a decrease in product deliveries of our UxS products of \$41.8 million primarily due to a decrease in international sales. The increase in service revenue was primarily due to an increase of \$5.1 million in customer funded R&D and engineering services driven by an increase in HAPS return to flight services, partially offset by a decrease of \$2.9 million of training and repairs service revenue driven by the decrease in UxS product sales. The increase in the LMS product revenues as compared to the prior year period is expected to continue for the remainder of the fiscal year ending April 30, 2025.

Cost of Sales. Cost of sales for the three months ended October 26, 2024 was \$114.8 million, as compared to \$105.5 million for the three months ended October 28, 2023, representing an increase of \$9.3 million, or 9%. The increase in cost of sales was a result of an increase in product cost of sales of \$8.0 million and service costs of sales of \$1.3 million. The increase in product costs of sales was primarily due to an increase of approximately \$5 million associated with the increase in product revenue and approximately \$3 million due to a mix shift to a higher proportion of lower margin products driven by the increase in Switchblade production. The increase in service cost of sales was primarily due to an increase of approximately \$1 million associated with the increase in service revenue. Cost of sales for the three months ended October 26, 2024 included \$3.7 million of intangible amortization and other related non-cash purchase accounting expenses as compared to \$3.2 million for the three months ended October 28, 2023. As a percentage of revenue, cost of sales increased from 58% to 61% primarily due to an increase in the proportion of LMS product revenue, partially offset by the cumulative catch up adjustment for the definitization of LMS contracts, resulting in gross margin decreasing from 42% to 39%.

Gross Margin. Gross margin is equal to revenue minus cost of sales.

Selling, General and Administrative. SG&A expense for the three months ended October 26, 2024 was \$37.9 million, or 20% of revenue, as compared to SG&A expense of \$28.1 million, or 16% of revenue, for the three months ended October 28, 2023. The increase in SG&A expense was primarily due to an increase of \$4.3 million in employee related expenses primarily driven by an increase in average headcount to support our growth and expansion of our global business development team, an increase of \$3.0 million of sales and marketing expense primarily driven by an increase in bid and proposal efforts, and an increase of \$2.5 million in acquisition related expenses. Sales and marketing expense includes commissions on certain direct commercial sales to international customers, and an increase in revenue results in an increase in commission expense.

Research and Development. R&D expense for the three months ended October 26, 2024 was \$28.7 million, or 15% of revenue, as compared to R&D expense of \$22.0 million, or 12% of revenue, for the three months ended October 28, 2023. The increase was primarily due to an increase in development activities regarding enhanced capabilities for our products, development of new product lines and support for our acquired businesses.

Interest Expense, net. Interest expense, net for the three months ended October 26, 2024 was \$0.7 million compared to interest expense, net of \$2.0 million for the three months ended October 28, 2023. The decrease in interest expense, net was primarily due to lower average outstanding balances on our debt facility.

Other Income, net. Other income, net, for the three months ended October 26, 2024 was \$16 thousand compared to other expense, net of \$(2.9) million for the three months ended October 28, 2023. The decrease was primarily due to lower net unrealized losses associated with the fair market value of our equity security investments.

Benefit from Income Taxes. Our effective income tax rate was (3.5)% for the three months ended October 26, 2024, as compared to 5.6% for the three months ended October 28, 2023. The decrease in our effective income tax rate was primarily due to an increase in FDII deductions and excess tax benefits from equity awards. The effective income tax rate for the three months ended October 26, 2024 was primarily impacted by expected federal R&D tax credits and FDII deductions and excess tax benefits from equity awards.

Equity Method Investment Income (Loss), net of Tax. Equity method investment income, net of tax for the three months ended October 26, 2024 was \$1.0 million as compared to equity method investment loss, net of tax of \$(1.4) million for the three months ended October 28, 2023.

Uncrewed Systems

	Three Months Ended	
	October 26, 2024	October 28, 2023
Revenue:		
Product sales	\$ 79,147	\$ 120,955
Contract services	6,269	11,818
	\$ 85,416	\$ 132,773
Segment adjusted gross margin	\$ 41,363	\$ 65,613

Revenue. UxS revenue for the three months ended October 26, 2024 was \$85.4 million, as compared to \$132.8 million for the three months ended October 28, 2023, representing a decrease of \$47.4 million, or 36%. The decrease in revenue was due to a decrease in product revenue of \$41.8 million and an increase in service revenue of \$5.5 million. The decrease in product revenue was primarily due to \$40.4 million from decreased product shipments of our SUAS family of systems and UGV product systems driven by to a decrease in international sales due to lower sales to Ukraine. The decrease in service revenue was primarily due to a decrease of \$3.1 million of training and repairs service revenue driven by the decreased product sales and a decrease of \$2.5 million of customer-funded R&D and engineering services.

UxS Segment adjusted gross margin. UxS segment adjusted gross margin for the three months October 26, 2024 was \$41.4 million, as compared to \$65.6 million for the three months ended October 28, 2023, representing a decrease of \$24.2 million, or 37%. The decrease in UxS segment adjusted gross margin was primarily due to a decrease in revenue of \$47.4 million, partially offset by a decrease of \$23.1 million in adjusted cost of sales. The decrease in adjusted cost of sales was primarily due to a decrease in sales volume of approximately \$23 million. Adjusted cost of sales is defined as cost of sales before intangible amortization expense including amortization of purchase accounting adjustments.

Loitering Munitions Systems

	Three Months Ended	
	October 26, 2024	October 28, 2023
Revenue:		
Product sales	\$ 71,930	\$ 23,982
Contract services	5,785	6,267
	\$ 77,715	\$ 30,249
Segment adjusted gross margin	\$ 30,157	\$ 9,345

Revenue. LMS revenue for the three months ended October 26, 2024 was \$77.7 million, as compared to \$30.2 million for the three months ended October 28, 2023, representing an increase of \$47.5 million, or 157%. The increase in revenue was due to an increase in product revenue of \$47.9 million, partially offset by a decrease in service revenue of \$0.5 million. The increase in product revenue was primarily due to increased production of our LMS systems primarily due to increased global demand for our loitering munitions systems associated with the current global conflicts as well as U.S. D.o.D. resupply and a cumulative catch-up revenue adjustment for the definitization of LMS contracts of \$9.9 million. The decrease in service revenue was primarily due to decreases in customer-funded R&D activities primarily associated with the shift from development to production of certain Switchblade products.

LMS Segment adjusted gross margin. LMS segment adjusted gross margin for the three months October 26, 2024 was \$30.2 million, as compared to \$9.3 million for the three months ended October 28, 2023, representing an increase of \$20.8 million, or 223%. The increase in LMS segment adjusted gross margin was primarily due to an increase in revenue of \$47.5 million, inclusive of the cumulative catch-up revenue adjustment of \$9.9 million, partially offset by an increase in adjusted cost of sales of \$26.7 million. The increase in adjusted cost of sales was primarily due to an increase in sales volume of approximately \$26 million. LMS is operating under multiple unpriced change orders, or UCO's, for which we recognize revenue based upon estimates of the final price negotiations. In the period these contracts are definitized a cumulative catch-up revenue adjustment will be recorded. For the full fiscal year, we anticipate LMS adjusted gross margin as a percentage of revenues to trend toward the prior year levels.

MacCready Works

	Three Months Ended	
	October 26, 2024	October 28, 2023
Revenue:		
Product sales	\$ 154	\$ 842
Contract services	25,173	16,952
	\$ 25,327	\$ 17,794
Segment adjusted gross margin	\$ 5,838	\$ 3,604

Revenue. MW revenue for the three months ended October 26, 2024 was \$25.3 million, as compared to \$17.8 million for the three months ended October 28, 2023, representing an increase of \$7.5 million, or 42%. The increase in revenue was due to an increase in service revenue of \$8.2 million, partially offset by a decrease in product revenue of \$0.7 million. The increase in service revenue was primarily due to an increase of \$8.2 million in customer funded R&D and engineering services efforts primarily due to HAPS return to flight services.

MW Segment adjusted gross margin. MW segment adjusted gross margin for the three months October 26, 2024 was \$5.8 million, as compared to \$3.6 million for the three months ended October 28, 2023, representing an increase of \$2.2 million or 62%. The increase in MW adjusted gross margin was primarily due to an increase in revenue of \$7.5 million, partially offset by an increase in adjusted cost of sales of \$5.3 million. The increase in adjusted cost of sales was primarily due to an increase in sales volume of approximately \$6 million.

Six Months Ended October 26, 2024 Compared to Six Months Ended October 28, 2023

The following tables (in thousands) sets forth our revenue, gross margin and adjusted operating income (loss) from operations generated by each reporting segment for the periods indicated. Adjusted operating income is defined as operating income before intangible amortization, amortization of purchase accounting adjustments, and acquisition related expenses. All corporate and headquarter expenses are allocated to the reportable segments.

	Six Months Ended	
	October 26, 2024	October 28, 2023
Revenue	\$ 377,941	\$ 333,163
Cost of sales	222,836	192,153
Gross margin	155,105	141,010
Selling, general and administrative	71,711	51,974
Research and development	53,329	37,491
Income from operations	30,065	51,545
Other loss:		
Interest expense, net	(929)	(3,958)
Other expense, net	(218)	(3,987)
Income before income taxes	28,918	43,600
Provision for income taxes	1,264	2,451
Equity method investment income (loss), net of tax	1,055	(1,414)
Net income	<u>\$ 28,709</u>	<u>\$ 39,735</u>

	UxS	Six Months Ended October 26, 2024		Total
		LMS	MW	
Revenue:				
Product sales	\$ 191,448	\$ 119,110	\$ 177	\$ 310,735
Contract services	13,944	10,578	42,684	67,206
	<u>\$ 205,392</u>	<u>\$ 129,688</u>	<u>\$ 42,861</u>	<u>\$ 377,941</u>

Segment adjusted gross margin

\$ 108,596 \$ 43,429 \$ 10,513

	UxS	Six Months Ended October 28, 2023		Total
		LMS	MW	
Revenue:				
Product sales	\$ 214,186	\$ 49,307	\$ 1,757	\$ 265,250
Contract services	16,794	11,859	39,260	67,913
	<u>\$ 230,980</u>	<u>\$ 61,166</u>	<u>\$ 41,017</u>	<u>\$ 333,163</u>

Segment adjusted gross margin

\$ 116,039 \$ 21,668 \$ 8,912

Revenue. Revenue for the six months ended October 26, 2024 was \$377.9 million, as compared to \$333.2 million for the six months ended October 28, 2023, representing an increase of \$44.8 million, or 13%. The increase in revenue was due to an increase in product revenue of \$45.5 million, partially offset by a decrease in service revenue of \$0.7 million. The increase in product revenue was primarily due to an increase of \$69.8 million from the production of our Switchblade products, driven by increased global demand for our LMS associated with the current global conflicts as well as U.S. D.o.D. resupply and a cumulative catch-up revenue adjustment for the definitization of LMS contracts of \$9.9 million. The increase was partially offset by a decrease of \$24.3 million of product deliveries of our UxS and MW products, primarily due to a decrease in international sales. The decrease in service revenue was primarily due to a decrease of \$0.7 million in customer funded R&D and engineering services due to a decrease in development programs in part due to delays in the establishment of the government fiscal year 2024 budget. The increase in the LMS product revenues as compared to the prior year period is expected to continue for the remainder of the fiscal year ending April 30, 2025.

Cost of Sales. Cost of sales for the six months ended October 26, 2024 was \$222.8 million, as compared to \$192.2 million for the six months ended October 28, 2023, representing an increase of \$30.7 million, or 16%. The increase in cost of sales was a result of an increase in product cost of sales of \$31.9 million, partially offset by a decrease in service costs of sales of \$1.2 million. The increase in product costs of sales was primarily due to an increase of approximately \$24 million associated with the increase in product revenue and approximately \$8 million due to a mix shift to a higher proportion of lower margin products driven by the increase in Switchblade production. The decrease in service cost of sales was primarily due to a decrease of approximately \$1 million associated with the decrease in service revenue. Cost of sales for the six months ended October 26, 2024 included \$7.4 million of intangible amortization and other related non-cash purchase accounting expenses as compared to \$5.6 million for the six months ended October 28, 2023. As a percentage of revenue, cost of sales increased from 58% to 59%, primarily due to an increase in the proportion of LMS product revenue, partially offset by the cumulative catch up adjustment for the definitization of LMS contracts, resulting in gross margin of decreasing from 42% to 41%.

Gross Margin. Gross margin is equal to revenue minus cost of sales.

Selling, General and Administrative. SG&A expense for the six months ended October 26, 2024 was \$71.7 million, or 19% of revenue, as compared to SG&A expense of \$52.0 million, or 16% of revenue, for the six months ended October 28, 2023. The increase in SG&A expense was primarily due to an increase of \$8.8 million of sales and marketing expense primarily driven by an increase in bid and proposal efforts, an increase of \$8.3 million in employee related expenses primarily driven by an increase in average headcount to support our growth and expansion of our global business development team, and an increase of \$1.8 million in acquisition related expenses. Sales and marketing expense includes commissions on certain direct commercial sales to international customers, and an increase in revenue results in an increase in commission expense.

Research and Development. R&D expense for the six months ended October 26, 2024 was \$53.3 million, or 14% of revenue, as compared to R&D expense of \$37.5 million, or 11% of revenue, for the six months ended October 28, 2023. The increase was primarily due to an increase in development activities regarding enhanced capabilities for our products, development of new product lines and support for our acquired businesses.

Interest Expense, net. Interest expense, net for the six months ended October 26, 2024 was \$0.9 million compared to \$4.0 million for the six months ended October 28, 2023. The decrease in interest expense, net was primarily due to lower average outstanding balances on our debt facility.

Other Expense, net. Other expense, net, for the six months ended October 26, 2024 was \$0.2 million compared to \$4.0 million for the six months ended October 28, 2023. The decrease was primarily due to lower net unrealized losses associated with the fair market value of our equity security investments.

Provision for Income Taxes. Our effective income tax rate was 4.4% for the six months ended October 26, 2024, as compared to 5.6% for the six months ended October 28, 2023. The decrease in our effective income tax rate was primarily due to an increase in FDII deductions and excess tax benefits from the vesting of equity awards, partially offset by an increase in excess tax benefits from equity awards. The effective income tax rate for the six months ended October 26, 2024 was primarily impacted by expected federal R&D tax credits and FDII deductions and excess tax benefits from equity awards.

Equity Method Investment Income (Loss), net of Tax. Equity method investment income, net of tax for the six months ended October 26, 2024 was \$1.1 million as compared to equity method investment loss, net of tax of \$(1.4) million for the six months ended October 28, 2023.

Uncrewed Systems

	Six Months Ended	
	October 26, 2024	October 28, 2023
Revenue:		
Product sales	\$ 191,448	\$ 214,186
Contract services	13,944	16,794
	\$ 205,392	\$ 230,980
Segment adjusted gross margin	\$ 108,596	\$ 116,039

Revenue. UxS revenue for the six months ended October 26, 2024 was \$205.4 million, as compared to \$231.0 million for the six months ended October 28, 2023, representing a decrease of \$25.6 million, or 11%. The decrease in revenue was due to a decrease in product revenue of \$22.7 million and a decrease in service revenue of \$2.9 million. The decrease in product revenue was primarily due to \$21.9 million of decreased product shipments of our SUAS family of systems driven by to a decrease in international sales. The decrease in service revenue was primarily due to a decrease of \$2.9 million of customer funded R&D and engineering services primarily due to the completion of certain MUAS contracts during the six months ended October 28, 2023.

UxS Segment adjusted gross margin. UxS segment adjusted gross margin for the six months October 26, 2024 was \$108.6 million, as compared to \$116.0 million for the six months ended October 28, 2023, representing a decrease of \$7.4 million, or 6%. The decrease in UxS segment adjusted gross margin was primarily due to a decrease in revenue of \$25.6 million, partially offset by a decrease of \$18.1 million in adjusted cost of sales. The decrease in adjusted cost of sales was due to a decrease in sales volume of approximately \$12 million, partially offset by a mix shift of approximately \$6 million primarily due to a lower proportion of international products sales. Adjusted cost of sales is defined as cost of sales before intangible amortization expense including amortization of purchase accounting adjustments.

Loitering Munitions Systems

	Six Months Ended	
	October 26, 2024	October 28, 2023
Revenue:		
Product sales	\$ 119,110	\$ 49,307
Contract services	10,578	11,859
	\$ 129,688	\$ 61,166
Segment adjusted gross margin	\$ 43,429	\$ 21,668

Revenue. LMS revenue for the six months ended October 26, 2024 was \$129.7 million, as compared to \$61.2 million for the six months ended October 28, 2023, representing an increase of \$68.5 million, or 112%. The increase in revenue was due to an increase in product revenue of \$69.8 million, partially offset by a decrease in service revenue of \$1.3 million. The increase in product revenue was primarily due to increased production of our LMS systems primarily due to increased global demand for our loitering munitions systems associated with the current global conflicts as well as U.S. D.o.D. resupply and a cumulative catch-up revenue adjustment for the definitization of LMS contracts of \$9.9 million. The decrease in service revenue was primarily due to decreases in customer-funded R&D activities primarily associated with the shift from development to production of certain Switchblade products.

LMS Segment adjusted gross margin. LMS segment adjusted gross margin for the six months October 26, 2024 was \$43.4 million, as compared to \$21.7 million for the six months ended October 28, 2023, representing an increase of \$21.8 million, or 100%. The increase in LMS segment adjusted gross margin was primarily due to an increase in revenue of \$68.5 million, inclusive of the cumulative catch-up revenue adjustment of \$9.9 million, partially offset by an increase

in adjusted cost of sales of \$46.8 million. The increase in adjusted cost of sales was primarily due to an increase in sales volume of approximately \$38 million and mix shift of approximately \$9 million primarily due to an increase in the proportion of LMS product revenue. LMS is operating under multiple unpriced change orders, or UCO's, which we recognize revenue based upon estimates of the final price negotiations. In the period these contracts are definitized a cumulative catch-up revenue adjustment will be recorded. For the full fiscal year, we anticipate LMS adjusted gross margin as a percentage of revenues to trend toward the prior year levels.

MacCready Works

	Six Months Ended	
	October 26, 2024	October 28, 2023
Revenue:		
Product sales	\$ 177	\$ 1,757
Contract services	42,684	39,260
	\$ 42,861	\$ 41,017
Segment adjusted gross margin	\$ 10,513	\$ 8,912

Revenue. MW revenue for the six months ended October 26, 2024 was \$42.9 million, as compared to \$41.0 million for the six months ended October 28, 2023, representing an increase of \$1.8 million, or 4%. The increase in revenue was due to an increase in service revenue of \$3.4 million, partially offset by a decrease in product revenue of \$1.6 million. The increase in service revenue was primarily due to an increase of \$3.4 million in customer funded R&D efforts and engineering services in part due to HAPS return to flight services. The decrease in product revenue was primarily due to timing of contracts.

MW Segment adjusted gross margin. MW segment adjusted gross margin for the six months October 26, 2024 was \$10.5 million, as compared to \$8.9 million for the six months ended October 28, 2023, representing an increase of \$1.6 million, or 18%. The increase in MW adjusted gross margin was primarily due to an increase in revenue of \$1.8 million, partially offset by an increase in adjusted cost of sales of \$0.3 million, primarily due to an increase in sales volume.

Backlog

Consistent with ASC 606, we define funded backlog as remaining performance obligations under firm orders for which funding is currently appropriated to us under a customer contract. As of October 26, 2024, our funded backlog was approximately \$467.1 million, as compared to \$400.2 million as of April 30, 2024.

In addition to our funded backlog, we also had unfunded backlog of \$1,829.1 million as of October 26, 2024. Unfunded backlog does not meet the definition of a performance obligation under ASC 606. We define unfunded backlog as the total remaining potential order amounts under cost reimbursable and fixed price contracts with (i) multiple one-year options and IDIQ contracts, or (ii) incremental funding. Unfunded backlog does not obligate the customer to purchase goods or services. There can be no assurance that unfunded backlog will result in any orders in any particular period, if at all. Management believes that unfunded backlog does not provide a reliable measure of future estimated revenue under our contracts. A protest has been filed with the U.S. Government Accountability Office ("GAO") challenging the U.S. Department of the Army's decision on August 27, 2024 to award an indefinite delivery, indefinite quantity contract with a ceiling value of \$990.0 million on a sole source basis to AeroVironment, Inc. (the "Company") related to the Company's Switchblade systems, of which \$860.0 million is included in unfunded backlog.

Because of possible future changes in delivery schedules and/or cancellations of orders, backlog at any particular date is not necessarily representative of actual sales to be expected for any succeeding period, and actual sales for the year may not meet or exceed the backlog represented. Our backlog is typically subject to large variations from quarter to quarter as existing contracts expire or are renewed or new contracts are awarded. A majority of our contracts, specifically our IDIQ contracts, do not currently obligate the U.S. government to purchase any goods or services. Additionally, all U.S.

government contracts included in backlog, whether or not they are funded, may be terminated at the convenience of the U.S. government.

Liquidity and Capital Resources

On September 8, 2022, we filed an S-3 shelf registration statement to offer and sell shares of our common stock, including a prospectus supplement in relation to an Open Market Sale AgreementSM, also dated September 8, 2022, with Jefferies LLC relating to the proposed offer and sale of shares of our common stock having an aggregate offering price of up to \$200.0 million from time to time through Jefferies LLC as our sales agent. During the three and six months ended October 28, 2023, we sold 807,370 shares for total gross proceeds of \$91.3 million, total proceeds received of \$88.6 million, net of commission expense and \$88.4 million net of equity issuance costs. As of October 28, 2023, we completed the Open Market Sale AgreementSM and sold 1,917,100 of our shares for total gross proceeds of \$200.0 million and \$194.0 million proceeds received, net of commission expense and \$193.1 million net of equity issuance costs.

On February 19, 2021, in connection with the consummation of the Arcturus Acquisition, we entered into the Credit Agreement for (i) the Revolving Facility, and (ii) the Term Loan Facility, and together with the Revolving Credit Facility, the “Credit Facilities.” The Term Loan Facility required payment of 5% of the outstanding obligations in each of the first four loan years, consisting of three quarterly payments of 1.25% each, with the remaining outstanding principal amount of the Term Loan Facility due and payable on the final maturity date. Proceeds from the Term Loan Facility were used in part to finance a portion of the cash consideration for the Arcturus acquisition. On October 4, 2024, we amended the Credit Facility agreement to increase the Revolving Facility to \$200 million, and the Term Loan Facility was fully repaid in full and removed from the Amended Credit Facility. Our ability to borrow under the Revolving Facility is reduced by outstanding letters of credit of \$9.8 million as of October 26, 2024. As of October 26, 2024, approximately \$175.2 million was available under the Revolving Facility. Borrowings under the Revolving Facility may be used for working capital and other general corporate purposes, including acquisitions that meet certain parameters. Refer to Note 9—Debt to our unaudited condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for further details. In addition, Telerob has a line of credit of €7.0 million (\$7.6 million) available for issuing letters of credit of which €0.3 million (\$0.3 million) was outstanding as of October 26, 2024.

We anticipate funding our normal recurring trade payables, accrued expenses, ongoing R&D costs and obligations under the Credit Facilities through our existing working capital and funds provided by operating activities including those provided by our acquisitions. The majority of our purchase obligations are pursuant to funded contractual arrangements with our customers. We believe that our existing cash, cash equivalents, cash provided by operating activities and other financing sources will be sufficient to meet our anticipated working capital, capital expenditure requirements, future obligations related to the acquisitions and obligations under the Credit Facilities during the next twelve months. There can be no assurance, however, that our business will continue to generate cash flow at current levels. If we are unable to generate sufficient cash flow from operations, then we may be required to sell assets, reduce capital expenditures or draw on our Credit Facilities. We anticipate that existing sources of liquidity, Credit Facilities, and cash flows from operations will be sufficient to satisfy our cash needs for the foreseeable future.

Our primary liquidity needs are for financing working capital, investing in capital expenditures, supporting product development efforts, introducing new products and enhancing existing products, marketing acceptance and adoption of our products and services, and possible acquisition of entities or strategic assets. Our future capital requirements, to a certain extent, are also subject to general conditions in or affecting the defense industry and are subject to general economic, political, financial, competitive, legislative and regulatory factors that are beyond our control. Moreover, to the extent that existing cash, cash equivalents, cash from operations, and cash from our Credit Agreement are insufficient to fund our future activities, we may need to raise additional funds through public or private equity or debt financing, subject to the limitations specified in our Credit Facility agreement. In addition, we may also need to seek additional equity funding or debt financing if we become a party to any agreement or letter of intent for potential investments in, or acquisitions of, businesses, services or technologies.

In connection with the BlueHalo acquisition, we entered into the Debt Commitment Letter with BofA and JPM on November 18, 2024 to provide a new term loan, the Acquisition Financing Facility, . The initial principal amount of the

Acquisition Financing Facility will be \$700,000,000, and the Acquisition Financing Facility will have a maturity date of two years from effective date of the Credit Agreement Amendment. The proceeds of the Acquisition Financing Facility will be used to refinance a portion of BlueHalo's debt and pay fees, costs and expenses incurred in connection with the Transactions. The debt will be serviced from the combined cash flows of the Company and BlueHalo.

Our working capital requirements vary by contract type. On cost-plus-fee programs, we typically bill our incurred costs and fees monthly as work progresses, and therefore working capital investment is minimal. On fixed-price contracts, we typically are paid as we deliver products, and working capital is needed to fund labor and expenses incurred during the lead time from contract award until contract deliveries begin.

During the fiscal year ended April 30, 2022, we made certain commitments outside of the ordinary course of business, including capital contribution commitments to a second limited partnership fund. Under the terms of a new limited partnership agreement, we have committed to make capital contributions to such fund totaling \$20.0 million, inclusive of the expected reinvestment of distributions from our existing limited partnership fund, of which \$10.0 million was remaining at October 26, 2024. The contributions are anticipated to be paid over the next three fiscal years. The UGV second year earnout of €2.0 million (approximately \$2.1 million) was paid in November 2023. The Tomahawk acquisition closed on September 15, 2023, and we paid a total purchase price of \$134.4 million consisting of \$109.8 million in stock and \$24.2 million from cash on hand, net of cash acquired. Due to the internal revenue service tax capitalization rules, Section 174, which requires R&D expenditures to be capitalized and amortized over a 5 year period for tax purposes, we expect the elevated levels of cash paid for U.S. federal income taxes to continue during the fiscal year ending April 30, 2025 and future fiscal years.

Cash Flows

The following table provides our cash flow data for the six months ended October 26, 2024 and October 28, 2023 (in thousands):

	Six Months Ended	
	October 26, 2024	October 28, 2023
	(Unaudited)	
Net cash provided by (used in) operating activities	\$ 24,709	\$ (25,590)
Net cash used in investing activities	\$ (11,630)	\$ (37,635)
Net cash (used in) provided by financing activities	\$ (17,471)	\$ 31,544

Cash Provided by (Used in) Operating Activities. Net cash provided by operating activities for the six months ended October 26, 2024 increased by \$50.3 million to \$24.7 million, as compared to net cash used in operating activities of \$(25.6) million for the six months ended October 28, 2023. The increase in net cash provided by operating activities was primarily due to an increase in cash as a result of changes in operating assets and liabilities of \$65.7 million, largely related to inventories and unbilled receivables and retentions, partially offset by accounts receivable and other liabilities, due to year over year timing differences as well as an increase in non-cash expenses of \$4.4 million primarily due to a decrease in reserve for inventory excess and obsolescence, partially offset by an increase in depreciation and amortization.

Cash Used in Investing Activities. Net cash used in investing activities decreased by \$26.0 million to \$(11.6) million for the six months ended October 26, 2024, as compared to \$(37.6) million for the six months ended October 28, 2023. The decrease in net cash used in investing activities was primarily due to a decrease in business acquisitions due to Tomahawk acquisition during the six months ended October 26, 2024.

Cash Used in Financing Activities. Net cash used in financing activities increased by \$49.0 million to \$(17.5) million for the six months ended October 26, 2024, as compared to net cash provided by financing activities of \$31.5 million for the six months ended October 28, 2023. The increase in net cash used in financing activities was primarily due to a decrease in proceeds from shares issued of \$88.4 million, partially offset by net principal payments of the credit facilities of \$42 million.

New Accounting Standards

Please refer to Note 1—Organization and Significant Accounting Policies to our unaudited condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for the conclusion that we did not adopt any accounting standards during the six months ended October 26, 2024.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the ordinary course of business, we are exposed to various market risk factors, including fluctuations in interest rates, changes in general economic conditions, domestic and foreign competition, and foreign currency exchange rates.

Interest Rate Risk

It is our policy not to enter into interest rate derivative financial instruments. On February 19, 2021, in connection with the consummation of the Arcturus Acquisition, we entered into the Credit Facilities. The current outstanding balance of the revolving credit facility is \$15.0 million and bears a variable interest rate. The market interest rate has increased significantly, and if market interest rates continue to increase, interest due on the revolving credit facility would increase.

Foreign Currency Exchange Rate Risk

Since a significant part of our sales and expenses are denominated in U.S. dollars, we have not experienced significant foreign exchange gains or losses to date. We occasionally engage in forward contracts in foreign currencies to limit our exposure on non-U.S. dollar transactions. With the acquisition of Telerob, a portion of our cash balance is denominated in Euros which is Telerob's functional currency.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure.

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b) under the Exchange Act, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as of October 26, 2024, the end of the period covered by this Quarterly Report on Form 10-Q.

Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that, as of October 26, 2024, the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures were effective and were operating at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting or in other factors identified in connection with the evaluation required by paragraph (d) of Rules 13a-15 or 15d-15 under the Exchange Act that occurred during the quarter ended October 26, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On August 9, 2021, a former employee filed a class action complaint against AeroVironment in California Superior Court in Los Angeles, California alleging various claims pursuant to the California Labor Code related to wages, meal breaks, overtime, unreimbursed business expenses and other recordkeeping matters. The complaint seeks a jury trial and payment of various alleged unpaid wages, penalties, interest and attorneys' fees in unspecified amounts. We filed our answer on December 16, 2021. Written and oral discovery are ongoing. A mediation session in this matter is currently scheduled for May 8, 2025.

On March 29, 2024, a former employee filed a complaint against AeroVironment in the Ventura County Superior Court in California, alleging violations of the California Labor Code related to wages, meal breaks, overtime, unreimbursed business expenses and other recordkeeping matters and seeking penalties recoverable under California Labor Code section 2698, et. seq., Private Attorney General Act of 2004 ("PAGA") and all other remedies available under PAGA. The complaint seeks civil penalties on behalf of the plaintiff and similarly situated persons pursuant to PAGA. We filed our answer on June 20, 2024. The parties have stipulated to stay this PAGA case ahead of the mediation in the class action matter listed in the immediately preceding paragraph above.

We are subject to lawsuits, government investigations, audits and other legal proceedings from time to time in the ordinary course of our business. It is not possible to predict the outcome of any legal proceeding with any certainty. The outcome or costs we incur in connection with a legal proceeding could adversely impact our operating results and financial position.

ITEM 1A. RISK FACTORS

Except as set forth below, there have been no material changes to the risk factors disclosed under Part I, Item 1A, "Risk Factors," of our Annual Report on Form 10-K for the fiscal year ended April 30, 2022. Please refer to that section for disclosures regarding the risks and uncertainties related to our business.

Risks Relating to the Company's Pending Acquisition of BlueHalo

The Transactions (as defined below) are subject to closing conditions and may not be completed, the Merger Agreement (as defined below) may be terminated in accordance with its terms, and we may be required to pay a termination fee upon termination.

On November 18, 2024, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with Archangel Merger Sub LLC, a Delaware limited liability company and a direct wholly owned subsidiary of the Company ("Merger Sub"), BlueHalo Financing Topco, LLC, a Delaware limited liability company ("BlueHalo"), and BlueHalo Holdings Parent, LLC, a Delaware limited liability company and sole member of BlueHalo Financing Topco, LLC ("Seller"), pursuant to which, among other matters, and subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement, Merger Sub will merge with and into BlueHalo, with BlueHalo continuing as a wholly owned subsidiary of the Company and the surviving company of the merger (the "Transactions").

The Transactions are subject to customary closing conditions that must be satisfied or waived prior to the consummation of the Transactions (the "Closing"), including, among other things, (i) the expiration or termination of the waiting period (or any extension thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR Act"), as amended, and the rules promulgated thereunder, any agreement (including any timing agreement) with the Federal Trade Commission ("FTC") or Department of Justice ("DOJ") to delay the consummation of, or not to consummate before a certain date, the Transactions, and the receipt of other specified regulatory approvals and the expiration or termination of applicable waiting periods, (ii) the required approval by the Company's stockholders, holders of incentive units and restricted common units of Seller (the "Seller Members") and Seller, as the sole member of BlueHalo (iii) the accuracy of the respective representations and warranties of each party, subject to certain materiality qualifications, (iv) compliance by the parties with their respective covenants, (v) the absence of any order that is in effect and restrains,

enjoins or otherwise prohibits the consummation of the Transactions, (vi) the shares of common stock to be issued in the Transactions being approved for listing (subject to official notice of issuance) on Nasdaq as of the Closing, (vii) the registration statement on Form S-4 (the “Registration Statement”) to be filed in connection with the Transactions having become effective in accordance with the provisions of the Securities Act of 1933, as amended, and not being subject to any stop order or proceeding (or threatened proceeding by the Securities and Exchange Commission (the “SEC”)) seeking a stop order with respect to the Registration Statement that has not been withdrawn, (viii) delivery of certain closing certificates and executed ancillary agreements, (ix) the absence of any material adverse effect with respect to BlueHalo or the Company, (x) receipt of certain waivers or approvals related to Section 280G of the United States Internal Revenue Code of 1986, as amended, (xi) receipt by the Company of executed joinder and lock-up agreements from Seller Members entitled to receive 85% of the Aggregate Closing Consideration (as defined in the Merger Agreement), as adjusted, (xii) the absence of any Cognizant Security Agency (as defined in 32 C.F.R. § 117.3(b)) objection that intends to invalidate, terminate, revoke or suspend any facility security clearances of BlueHalo and its subsidiaries if the Transactions occur, and (xiii) receipt of all required consents of governmental authorities pursuant to antitrust laws and foreign direct investments laws, as applicable. No assurance can be given that the required shareholder consents and approvals will be obtained or that the required conditions to closing will be satisfied, and, if all required consents and approvals are obtained and the conditions are satisfied, no assurance can be given as to the terms, conditions and timing of the consents and approvals. Any delay in completing the Transactions could cause the combined company not to realize, or to be delayed in realizing, some or all of the benefits that we expect to achieve if the Transactions are successfully completed within the expected time frame.

Additionally, either party may terminate the Merger Agreement under certain circumstances, including, among other reasons, if the Transactions are not completed by August 18, 2025 (subject to certain conditions and one automatic extension period to February 18, 2026 as set forth in the Merger Agreement). The Company may be required to pay a termination fee of \$200 million to Seller upon termination of the Merger Agreement under specified circumstances, including (i) termination by the Company if the Board of Directors of the Company (the “Board”) determines that an intervening event has occurred or the Board has received a proposal to acquire the Company that the Board has determined in good faith constitutes a superior offer pursuant to the terms of the Merger Agreement (an “Alternative Sale Transaction”), (ii) termination by Seller if the Board exercises its right, subject to certain limitations, to change its recommendation to the Company’s stockholders with respect to the Merger Agreement and the Transactions (a “Company Board Adverse Recommendation Change”) or (iii) if the Company consummates an Alternative Sale Transaction within nine months of termination of the Merger Agreement, subject to certain conditions as set forth in the Merger Agreement.

Moreover, if the Transactions are not completed for any reason, including as a result of failure to obtain all requisite regulatory approvals or if the Company stockholders fail to approve the applicable proposals, our ongoing business may be adversely affected and, without realizing any of the expected benefits of having completed the Transactions, we would be subject to a number of risks, including the following:

- we may experience negative reactions from the financial markets, including negative impacts on our stock price;
- we may experience negative reactions from our customers, suppliers, distributors, other business partners and employees;
- we will be required to pay our costs relating to the Transactions, such as financial advisory, legal, financing and accounting costs and associated fees and expenses, whether or not the Transactions are completed;
- the market price of our common stock could decline to the extent that the current market price reflects a market assumption that the Transactions will not be completed;
- the Merger Agreement places certain restrictions on the conduct of our business prior to completion of the Transactions and such restrictions, the waiver of which are subject to the consent of BlueHalo or Seller, may prevent us from taking actions during the pendency of the Transactions that would be beneficial; and

- matters relating to the Transactions (including integration planning) will require substantial commitments of time and resources by management and other key employees, which could otherwise have been devoted to day-to-day operations or to other opportunities that may have been beneficial to us as an independent company.

The consideration payable under the Merger Agreement is fixed and will not be adjusted based on our performance.

Under the Merger Agreement, the total aggregate merger consideration payable by us consists of 18,548,698 shares of our common stock, subject to downward adjustments as set forth in the Merger Agreement. The purchase price will not be adjusted for changes in the market price of our common stock or the economic performance of the Company or BlueHalo. If the market price of our common stock increases or the economic performance of BlueHalo relative to us declines (or the economic performance of BlueHalo relative to us improves), the consideration will not be adjusted to account for any such changes or any effective increase or decrease in the value of the consideration issued or paid to the equityholders of BlueHalo under the Merger Agreement.

We will be subject to business uncertainties and contractual restrictions, including the risk of litigation, while the Transactions are pending that may cause disruption and may make it more difficult to maintain relationships with employees, suppliers or customers.

Uncertainty about the effect of the Transactions on employees, suppliers and customers may have an adverse effect on us or BlueHalo, which uncertainties may impair our or BlueHalo's ability to attract, retain and motivate key personnel until the Transactions are completed and for a period of time thereafter, and could cause customers, suppliers and others that deal with us or BlueHalo to seek to change existing business relationships with any of us.

Employee retention and recruitment may be challenging before the completion of the Transactions, as employees and prospective employees may experience uncertainty about their future roles following the Transactions. Key employees may depart or prospective key employees may fail to accept employment with us or BlueHalo because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company following the Transactions, any of which could have a material adverse effect on our business, financial condition and results of operations.

The pursuit of the Transactions and the preparation for the integration may place a significant burden on management and internal resources. The diversion of management's attention away from day-to-day business concerns and any difficulties encountered in the transition and integration process could have a material adverse effect on our business, financial condition and results of operations.

Until the completion of the Transactions or the termination of the Merger Agreement in accordance with its terms, we are prohibited from entering into certain transactions and taking certain actions that might otherwise be beneficial to us and our stockholders, and may find other transactions or actions impractical to undertake during such period.

During the period between the date of the Merger Agreement and the Closing, which, under the Merger Agreement, could take until August 18, 2025 (subject to certain conditions and one automatic extension period to February 18, 2026 as set forth in the Merger Agreement), the Merger Agreement restricts us from taking specified actions or from pursuing what might otherwise be attractive business opportunities or making other changes to our business, in each case without the consent of BlueHalo or Seller. These restrictions may prevent us from taking actions during the pendency of the Transactions that would have been beneficial. Adverse effects arising from these restrictions during the pendency of the Transactions could be exacerbated by any delays in consummation of the Transactions or termination of the Merger Agreement.

Additionally, even if the Merger Agreement does not expressly restrict us from taking a certain action prior to the completion of the Transactions or the termination of the Merger Agreement, the pendency of the Transactions may make it impractical for us to do so. For example, while we may wish to raise capital for strategic or other reasons and would not be prohibited from doing so under the Merger Agreement, our ability to do so may be limited, or may adversely affect the terms on which we are able to raise such capital.

The Company and BlueHalo must obtain certain regulatory approvals and clearances to consummate the Transactions, which, if delayed, not granted or granted with unacceptable conditions, could prevent, substantially delay or impair consummation of the Transactions, result in additional expenditures of money and resources or reduce the anticipated benefits of the Transactions.

Completion of the Transactions is conditioned upon the expiration or early termination of the waiting period relating to the Transactions under the HSR Act and other similar antitrust laws in certain other countries as well as certain other applicable laws or regulations and the governmental authorizations required to complete the Transactions having been obtained and being in full force and effect. Although the Company and BlueHalo have agreed in the Merger Agreement to use their reasonable best efforts, subject to certain limitations, to make certain governmental filings or obtain the required governmental authorizations, as the case may be, there can be no assurance that the relevant waiting periods will expire or authorizations will be obtained, and if such authorizations are not obtained, the Transactions will not be completed.

At any time before or after consummation of the Transactions, the DOJ or the FTC, any state attorney general, or a governmental authority in another country could take such action under the antitrust laws as it deems necessary or desirable in the public interest, including but not limited to seeking to enjoin the completion of the Transactions, seeking divestiture of substantial assets of the parties or requiring the parties to license, or hold separate, assets or terminate existing relationships and contractual rights. Private parties may also seek to take legal action under the antitrust laws under certain circumstances. Such conditions or changes and the process of obtaining regulatory approvals could have the effect of delaying or impeding consummation of the Transactions or of imposing additional costs or limitations on the Company or BlueHalo following completion of the Transactions, any of which might have an adverse effect on the Company or BlueHalo following completion of the Transactions and may diminish the anticipated benefits of the Transactions.

The Merger Agreement limits our ability to pursue alternatives to the Transactions and may discourage a potential competing acquirer of the Company, including the payment by the Company of a termination fee.

The Merger Agreement contains provisions that, subject to limited exceptions, restrict our ability to directly or indirectly (i) solicit, initiate or knowingly encourage, or take any action to facilitate any inquiries, announcements or communications relating to, or the making of any submission, proposal or offer that constitutes or that could reasonably be expected to lead to, a Parent Acquisition Proposal (as defined the Merger Agreement), (ii) enter into, participate in, cooperate with any person with respect to, maintain or continue any discussions or negotiations relating to, any Parent Acquisition Proposal with any person other than Seller, BlueHalo or their affiliates, (iii) furnish to any person other than Seller, BlueHalo or their affiliates any non-public information in connection with or in response to a Parent Acquisition Proposal, (iv) accept any Parent Acquisition Proposal or enter into any agreement, arrangement, term sheet, letter of intent, or understanding (whether written or oral) providing for the consummation of any transaction contemplated by any Parent Acquisition Proposal or otherwise relating to any Parent Acquisition Proposal, (v) adopt, approve or recommend or make any public statement approving or recommending any inquiry, proposal or offer that constitutes, or could reasonably be expected to lead to, a Parent Acquisition Proposal, (vi) take any action or exempt any person (other than the Company and its subsidiaries) from the restriction on “business combinations” or any similar provision contained in applicable takeover laws or the Company’s organizational or other governing documents, or (vii) resolve, propose or agree to do any of the foregoing. The Company shall, and shall cause each of its representatives and each of its subsidiaries (and each of their respective representatives) to, immediately cease and cause to be terminated any and all existing activities, discussions or negotiations with any persons conducted prior to or on the date of the Merger Agreement with respect to any Parent Acquisition Proposal. The Company may be required to pay a termination fee of \$200 million to Seller upon termination of the Merger Agreement under specified circumstances, including (i) termination by the Company to accept an Alternative Sale Transaction, (ii) termination by Seller due to the occurrence of a Company Board Adverse Recommendation Change or (iii) if the Company consummates an Alternative Sale Transaction within nine months of termination of the Merger Agreement, subject to certain conditions as set forth in the Merger Agreement.

These provisions could discourage a potential third-party acquirer that might have an interest in acquiring all or a significant portion of us from considering or proposing that acquisition, even if it were prepared to pay above market

value, or might otherwise result in a potential third-party acquirer proposing to pay a lower price to our stockholders than it might otherwise have proposed to pay because of the added expense of the termination fee that may become payable in certain circumstances.

If the Merger Agreement is terminated and we decide to seek another merger transaction, we may not be able to negotiate or consummate a transaction with another party on terms comparable to, or better than, the terms of the Merger Agreement.

The Transactions will involve substantial costs.

We have incurred and expect to incur substantial non-recurring costs associated with the Transactions and combining the operations of the two companies, as well as transaction fees and other costs related to the Transactions. These costs and expenses include fees paid to legal, financial and accounting advisors, regulatory and public relations advisors, filing fees, printing costs and other costs and expenses. Portions of these transaction costs are contingent upon the Closing occurring, although some have been and will be incurred regardless of whether the Transactions are consummated.

In addition, the combined company will also incur significant restructuring and integration costs in connection with the integration of the Company and BlueHalo and the execution of our business plan, including costs relating to formulating and implementing integration plans and eliminating duplicative costs, as well as potential employment-related costs. The costs related to restructuring will be expensed as a cost of the ongoing results of operations of either us or the combined company. There are processes, policies, procedures, operations, technologies and systems that must be integrated in connection with the Transactions and the integration of BlueHalo's business. While we have assumed a certain level of expenses would be incurred to integrate the Company and BlueHalo and achieve synergies and efficiencies and we continue to assess the magnitude of these costs, many of these expenses are, by their nature, difficult to estimate accurately and there are many factors beyond our control that could affect the total amount or timing of these costs. Although we expect that the elimination of duplicative costs, as well as the realization of strategic benefits, additional income, synergies and other efficiencies should allow the combined company to offset integration-related costs over time, this net benefit may not be achieved in the near term, or at all.

Securities class action and derivative lawsuits may be filed against us, or against our directors, challenging the Transactions, and an adverse ruling in any such lawsuit may prevent the Closing from occurring at all or from occurring within the expected time frame.

Securities class action lawsuits and derivative lawsuits are often brought against public companies that have entered into acquisition, merger or other business combination agreements. Transactions like the Transactions are frequently subject to litigation or other legal proceedings, including actions alleging that our Board breached their fiduciary duties to our stockholders by entering into the Merger Agreement. We cannot provide assurance that such litigation or other legal proceedings will not be brought. If litigation or other legal proceedings are in fact brought against us, or against our Board, we will defend against it, but we may not be successful in doing so. An adverse outcome in such matters, as well as the costs and efforts of a defense even if successful, could have a material adverse effect on the business, results of operations or financial position of us or the combined company, including through the possible diversion of company resources or distraction of key personnel.

Lawsuits that may be brought against us, BlueHalo or our or its directors could also seek, among other things, injunctive relief or other equitable relief, including a request to enjoin us from consummating the Transactions. One of the conditions to the Closing is that no order, award or judgment by any court or other tribunal of competent jurisdiction has been entered and continues to be in effect and no law has been adopted or is effective, in either case, that prohibits or makes illegal the Closing. Consequently, if a plaintiff is successful in obtaining an order, award or judgment prohibiting completion of the Transactions, that order, award or judgment may delay or prevent the Closing from being completed within the expected time frame or at all, which may adversely affect our business, financial position and results of operations.

Combining the businesses of the Company and BlueHalo may be more difficult, costly or time-consuming than expected and the combined company may fail to realize the anticipated synergies and other benefits of the Transactions, which may adversely affect the combined company's business results and negatively affect the value of our common stock following the Closing.

The Company and BlueHalo have operated and, until the completion of the Transactions will continue to operate, independently. The success of the Transactions will depend on, among other things, the ability of the Company and BlueHalo to combine their respective businesses in a manner that facilitates growth opportunities and realizes expected cost savings. We have entered into the Merger Agreement because we believe that the Transactions are fair to and in the best interests of our stockholders and that combining the businesses of the Company and BlueHalo will produce benefits as well as cost savings and other cost and capital expenditure synergies.

Following the Closing, the Company and BlueHalo must successfully combine their respective businesses in a manner that permits these benefits to be realized. For example, the following issues, among others, must be addressed in integrating the operations of the two companies in order to realize the anticipated benefits of the Transactions:

- combining the companies' operations and corporate functions;
- combining the businesses of the Company and BlueHalo and meeting the capital requirements of the combined company in a manner that permits the combined company to achieve any cost savings or other synergies anticipated to result from the Transactions, the failure of which would result in the anticipated benefits of the Transactions not being realized in the time frame currently anticipated or at all;
- integrating personnel from the two companies;
- harmonizing the companies' operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes;
- maintaining existing agreements with customers, suppliers, distributors and vendors, avoiding delays in entering into new agreements with prospective customers, suppliers, distributors and vendors, and leveraging relationships with such third parties for the benefit of the combined company;
- addressing possible differences in business backgrounds, corporate cultures and management philosophies;
- consolidating the companies' administrative and information technology infrastructure;
- coordinating distribution and marketing efforts; and
- effecting actions that may be required in connection with obtaining regulatory or other governmental approvals.

It is possible that the integration process could result in the loss of key AeroVironment or BlueHalo employees, the loss of customers, the disruption of either company's or both companies' ongoing businesses, inconsistencies in standards, controls, procedures and policies, unexpected integration issues, higher than expected integration costs and an overall post-completion integration process that takes longer than originally anticipated. In addition, the actual integration may result in additional and unforeseen expenses. If the combined company is not able to adequately address integration challenges, we may be unable to successfully integrate operations and the anticipated benefits of the integration plan may not be realized.

In addition, the combined company must achieve the anticipated growth and cost savings without adversely affecting current revenues and investments in future growth. If the combined company is not able to successfully achieve these objectives, the anticipated synergies and other benefits of the Transactions may not be realized fully, or at all, or may take longer to realize than expected. Additionally, we may inherit from BlueHalo legal, regulatory, and other risks that occurred prior to the Transactions, whether known or unknown to us, which may be material to the combined company.

Actual growth, cost and capital expenditure synergies and other cost savings, if achieved, may be lower than what we expect and may take longer to achieve than anticipated. Moreover, at times the attention of the combined company's management and resources may be focused on the integration of the businesses of the two companies and diverted from day-to-day business operations or other opportunities that may have been beneficial to such company, which may disrupt the combined company's ongoing business.

An inability to realize the full extent of the anticipated benefits of the Transactions, as well as any delays encountered in the integration process, could have an adverse effect upon the revenues, level of expenses and operating results of the combined company, which may adversely affect the value of our common stock following the consummation of the Transactions. Moreover, if the combined company is unable to realize the full strategic and financial benefits currently anticipated from the Transactions, AeroVironment stockholders will have experienced substantial dilution of their ownership interests without receiving any commensurate benefit, or only receiving part of the commensurate benefit to the extent the combined company is able to realize only part of the strategic and financial benefits currently anticipated from the Transactions.

The Transactions may be completed even though a material adverse effect may result from the announcement of the Transactions, industry-wide changes or other causes.

In general, neither we nor BlueHalo is obligated to complete the Transactions if there is a material adverse effect impacting the other party between the date of the Merger Agreement and the Closing. However, certain types of changes are excluded from the concept of a "material adverse effect" as it is defined in the Merger Agreement. Such exclusions include but are not limited to changes in general economic or political conditions, industry wide changes, changes resulting from the announcement of the Transactions, natural disasters, pandemics, other public health events and changes in GAAP. Therefore, if any of these events were to occur affecting us or BlueHalo, the other party would still be obliged to effect the Closing. If any such adverse changes occur and we and BlueHalo execute the Closing, the stock price of the combined company may suffer. This in turn may reduce the value of the Transactions to the stockholders of the Company, BlueHalo or both.

The combined company may not be able to retain customers, suppliers or distributors, or customers, suppliers or distributors may seek to modify contractual relationships with the combined company, which could have an adverse effect on the combined company's business and operations. Third parties may terminate or alter existing contracts or relationships with the combined company.

As a result of the Transactions, the combined company may experience impacts on relationships with customers, suppliers and distributors that may harm the combined company's business and results of operations. Certain customers, suppliers or distributors may seek to terminate or modify contractual obligations following the Closing whether or not contractual rights are triggered as a result. There can be no guarantee that customers, suppliers and distributors will remain with or continue to have a relationship with the combined company or do so on the same or similar contractual terms following the Closing. If any customers, suppliers or distributors seek to terminate or modify contractual obligations or discontinue the relationship with the combined company, then the combined company's business and results of operations may be harmed. If the combined company's suppliers were to seek to terminate or modify an arrangement with the combined company, then the combined company may be unable to procure necessary supplies from other suppliers in a timely and efficient manner and on acceptable terms, or at all.

We and BlueHalo also have contracts with third parties, which may require consent from these parties in connection with the Transactions, or which may otherwise contain limitations applicable to such contracts following the Closing. If these consents cannot be obtained, the combined company may suffer a loss of potential future revenue, incur costs and lose rights that may be material to the combined company's business. In addition, third parties with whom we or BlueHalo currently have relationships may terminate or otherwise reduce the scope of their relationship in anticipation of the Closing. Any such disruptions could limit the combined company's ability to achieve the anticipated benefits of the Transactions. The adverse effect of any such disruptions could also be exacerbated by a delay in the Closing or by a termination of the Merger Agreement.

Some of our and BlueHalo's directors and executive officers have interests in the Transactions that are different from yours and that may influence them to support or approve the Transactions without regard to your interests.

Directors and executive officers of the Company and BlueHalo may have interests in the Transactions that are different from, or in addition to, the interests of other AeroVironment stockholders generally. These interests with respect to our directors and executive officers may include, among others, acceleration of stock option or restricted stock unit vesting, retention bonus payments, severance payments if employment is terminated in a qualifying termination in connection with the Transactions and rights to continued indemnification, expense advancement and insurance coverage. The current members of our Board are expected to continue as directors of the combined company after the effective time of the Transactions, and, following the closing of the Transactions, will be eligible to be compensated similarly to other non-employee directors of the combined company.

Our Board and the Board of Directors of BlueHalo were aware of and considered those interests, among other matters, in reaching their decisions to approve and adopt the Merger Agreement, approve the Transactions, and recommend the approval of the Merger Agreement to the Company stockholders and BlueHalo holders, respectively. These interests, among other factors, may have influenced the directors and executive officers of the Company and BlueHalo to support or approve the Transactions.

Following the Closing, funds affiliated with Arlington Capital Partners are expected to beneficially own approximately 26.2% of our common stock, which will allow them the ability to exert significant influence over us, and their interests may conflict with ours or yours in the future.

Following the Closing, funds affiliated with Arlington Capital Partners are expected to beneficially own approximately 26.2% of our common stock. Accordingly, after the Closing these stockholders may exercise significant influence over matters requiring stockholder approval, including the election of our directors and the determination of significant corporate actions. This concentration of voting power and control could have a significant effect in delaying, deferring or preventing an action that might otherwise be beneficial to our other stockholders or that could be disadvantageous to our stockholders with interests different from yours. As a result, the market price of our common stock could be adversely affected.

Concurrently with the execution and delivery of the Merger Agreement, funds affiliated with Arlington Capital Partners (the "Sponsor Members") entered into a shareholder's agreement (the "Shareholder's Agreement") with the Company pursuant to which the Sponsor Members have, among other things, agreed to abide by customary standstill covenants, obligations to vote consistent with the recommendation of the Board, and customary employee non-solicit restrictions with respect to the employees of the Company and its subsidiaries (including BlueHalo and its subsidiaries after the Closing). Under the Shareholder's Agreement, the Company has, among other things and subject to the Closing, agreed to provide the Sponsor Members with certain board designation rights and, following a lock-up period as set forth in the Shareholder's Agreement, customary registration rights, including customary demand and piggyback rights. The Sponsor Members will have such designation rights to designate two directors until it and its affiliates cease to collectively hold and own, directly or indirectly, at least 20% of the issued and outstanding Company common stock and the Sponsor Members will have such designation rights to designate one director until they and their affiliates cease to collectively hold and own, directly or indirectly, at least 15% but less than 20% of the issued and outstanding Company common stock. The Board of Directors of the combined company (the "New Company Board") is expected to consist of ten members, up to two of whom may be designated by the Sponsor Members for approval by the stockholders of the Company for appointment to the New Company Board, subject to certain conditions and qualifications as set forth in the Shareholder's Agreement (the "Shareholder Nominees").

Moreover, the Shareholder's Agreement provides that we renounce any interests or expectancy in being offered any business opportunities which the Shareholder Nominees, the Sponsor Members, or their affiliates conduct whether directly or indirectly, whether or not such business is competitive with or in the same or similar lines of business as the Company. This renunciation does not extend to business opportunities invested in on the basis of confidential information received from the Company or its representatives.

Our stockholders may not realize a benefit from the Transactions commensurate with the ownership dilution they will experience in connection with the Transactions.

If the combined company is unable to realize the full strategic and financial benefits currently anticipated from the Transactions, our stockholders will have experienced substantial dilution of their ownership interests without receiving any commensurate benefit, or only receiving part of the commensurate benefit to the extent the combined company is able to realize only part of the strategic and financial benefits currently anticipated from the Transactions.

BlueHalo is currently not a U.S. public reporting company and the obligations associated with integrating into a public company may require significant resources and management attention.

BlueHalo is, and prior to the Closing will remain, a private company that is not subject to public company reporting requirements and does not have accounting personnel specifically employed to review internal controls over financial reporting. Additionally, from the time it was formed until the time it entered the Merger Agreement, BlueHalo consummated a number of acquisitions of companies of varying degrees of size and sophistication with varying degrees of disclosure controls and procedures. As a public company, we are required to document and test our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002, so that our management can certify as to the effectiveness of our internal control over financial reporting in connection with the annual report. BlueHalo (including all of its prior acquisitions) will be required to be included in the scope of our internal control over financial reporting in the annual report to be filed with the SEC for the fiscal year following the fiscal year in which the Closing occurs and thereafter, which requires us to make and document significant changes to our internal controls over financial reporting. Bringing BlueHalo into compliance with these rules and regulations and integrating BlueHalo into our current compliance and accounting system and disclosure controls and procedures may increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources. Furthermore, the need to establish the necessary corporate infrastructure to integrate BlueHalo may divert management's attention from implementing our growth strategy, which could prevent us from improving our business, financial condition and results of operations. However, the measures we take may not be sufficient to satisfy our obligations as a public company. If we do not continue to develop and implement the right processes and tools to manage our changing enterprise upon the consummation of the Transactions and maintain our culture, our ability to compete successfully and achieve our business objectives could be impaired, which could negatively impact our business, financial condition and results of operations. In addition, we cannot predict or estimate the amount of additional costs we may incur to bring BlueHalo into compliance with these requirements. We anticipate that these costs will materially increase our selling, general and administration expenses. In addition, bringing BlueHalo into compliance with these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. These additional obligations could have a material adverse effect on our business, financial condition, results of operations and cash flow.

Our stockholders will have a reduced ownership and voting interest in, and will exercise less influence over the management of, the combined company following the Closing as compared to their current ownership and voting interests in the respective companies.

After the Closing, the current stockholders of AeroVironment will own a smaller percentage of the combined company than their ownership of AeroVironment prior to the Transactions. Immediately after the Closing, our securityholders as of immediately prior to the Closing are expected to own approximately 60.5% of the outstanding shares of the combined company on a fully-diluted basis and former BlueHalo securityholders, are expected to own approximately 39.5% of the outstanding shares of the combined company on a fully-diluted basis, subject to certain adjustments set forth in the Merger Agreement. As a result of this reduced ownership, the current stockholders of AeroVironment will be able to exercise less influence over the combined company following the Closing as compared to their current ownership.

We anticipate our indebtedness will increase upon completion of the Transactions and may have the effect of heightening other risks we now face.

Upon completion of the Transactions, we intend to refinance certain indebtedness of BlueHalo and, assuming that occurs, our consolidated indebtedness will increase substantially and we will be subject to increased risks associated with

debt financing. As of October 26, 2024, we had indebtedness of approximately \$15 million under our existing credit agreement. In connection with the execution of the Merger Agreement, we entered into a commitment letter (the “Debt Commitment Letter”) with BofA NA and BofA Securities, Inc. (collectively, “BofA”) and JPM (JPM and BofA, collectively, the “Joint Lead Arrangers”), pursuant to which the Joint Lead Arrangers have committed to amend our existing credit agreement (such amendment, the “Credit Agreement Amendment”) to provide a new Term Loan A facility (the “Acquisition Financing Facility”). The initial principal amount of the Acquisition Financing Facility will be \$700 million, and the Acquisition Financing Facility will have a maturity date of two years from effective date of the Credit Agreement Amendment.

Our increased indebtedness could have important consequences to holders of our common stock, including:

- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our ability to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements;
- requiring the use of a substantial portion of our cash flow from operations for the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund working capital, acquisitions, capital expenditures and general corporate requirements;
- limiting our flexibility in planning for, or reacting to, changes in our business and our industry; and
- putting us at a disadvantage compared to its competitors with less indebtedness.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Amended and Restated Executive Severance Plan

On December 3, 2024, the Compensation Committee of our Board approved an amended and restated AeroVironment, Inc. Executive Severance Plan (the “Restated Severance Plan”). The participants in the Restated Severance Plan remain limited to Wahid Nawabi, Chairman, President and Chief Executive Officer; Kevin McDonnell, Senior Vice President and Chief Financial Officer; Melissa Brown, Senior Vice President, General Counsel, Chief Ethics and Compliance Officer and Secretary; and Brian Shackley, Vice President and Chief Accounting Officer (collectively, “Severance Participants”). The Restated Severance Plan provides for the payment of certain benefits to each such Severance Participant in connection with the termination of the Severance Participant’s employment by reason of death or disability, by the Company without cause, or by the Severance Participant for good reason, in certain cases in connection with a change in control (in each case as defined in the Restated Severance Plan), as summarized below. Except as noted below, the terms of the severance payments and other benefits provided to each of the Company’s Severance Participants under the Restated Severance Plan are identical, and the Restated Severance Plan does not provide for a gross-up of severance benefits in the event that excise taxes under Section 280G of the Code are imposed on the severance benefits.

The Restated Severance Plan provides for substantially the same severance benefits as existed under the plan prior to the restatement, except that in addition to the existing severance benefits, the Severance Participants will also be eligible to receive any earned but unpaid annual bonus for any fiscal year that has ended prior to the date of a qualifying termination. In addition, the Restated Severance Plan reflects certain additional changes to conform to the Company's current compensation program and best practices, although such changes do not impact the severance benefits to be provided.

To receive the severance benefits described above, the Severance Participant must execute a full release of any and all claims against the Company and comply with certain other obligations specified in the Restated Severance Plan. The foregoing description of the Restated Severance Plan is qualified in its entirety by reference to the full text of the Restated Severance Plan, a copy of which is attached as Exhibit 10.3 to this Quarterly Report on Form 10-Q and is incorporated herein by reference.

Executive Transaction Severance Plan

On December 3, 2024, the Compensation Committee of our Board also approved the AeroVironment, Inc. Executive Transaction Severance Plan (the "Executive Transaction Severance Plan"). The participants in the Executive Transaction Severance Plan are those executive officers who do not participate in the Restated Severance Plan, namely, Brett Hush, Senior Vice President, Loitering Munitions; Jeff Rodrian, Senior Vice President, MacCready Works; and Trace Stevenson, Senior Vice President, UnCrewed Systems (collectively, the "Transaction Severance Participants"). The Executive Transaction Severance Plan provides for the payment of certain benefits to each such Transaction Severance Participant in connection with the termination of the Transaction Severance Participant's employment by the Company without cause on or prior to November 18, 2025, as summarized below. The terms of the severance payments and other benefits provided to each of the Transaction Severance Participants under the Executive Transaction Severance Plan are identical, and the Executive Transaction Severance Plan does not provide for a gross-up of severance benefits in the event that excise taxes under Section 280G of the Code are imposed on the severance benefits.

Upon termination of the Transaction Severance Participant's employment by the Company without cause on or prior to November 18, 2025, the Transaction Severance Participant is entitled to receive: (i) 1.0x his base salary, (ii) provided such termination occurs outside the period starting on April 1, 2025 through and including June 30, 2025, a prorated target bonus for the fiscal year in which termination occurs, (iii) the continuation of certain employee welfare plan benefits, including for his dependents and beneficiaries, for a period of 12 months following the termination date or until the Transaction Severance Participant becomes eligible for equivalent benefits from a subsequent employer, (iv) the right to remain eligible to continue to vest in his outstanding time-based equity awards for a period of 12 months following the termination date, subject to continued transition consulting services through each applicable vesting date, and (v) outplacement services for a period of 12 months following the termination date or until the first acceptance by the Transaction Severance Participant of an offer of employment, whichever comes first.

To receive the severance benefits described above, the Transaction Severance Participant must execute a full release of any and all claims against the Company and comply with certain other obligations specified in the Executive Transaction Severance Plan.

The foregoing description of the Executive Transaction Severance Plan is qualified in its entirety by reference to the full text of the Executive Transaction Severance Plan, a copy of which is attached as Exhibit 10.4 to this Quarterly Report on Form 10-Q and is incorporated herein by reference.

Trading Plan

During the three months ended October 26, 2024, none of our directors or officers adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

Exhibit Number	Description
2.1(1)	Agreement and Plan of Merger, dated November 18, 2024, by and among the Company, Merger Sub, BlueHalo and Seller
3.1(2)	Amended and Restated Certificate of Incorporation of AeroVironment, Inc.
3.2(2)	Fifth Amended and Restated Bylaws of AeroVironment, Inc., amended as of October 1, 2024.
10.1*	Third Amendment to Credit Agreement, dated October 4, 2024, by and among AeroVironment, Inc., certain lenders, letter of credit issuers, Bank of America, N.A., as the administrative agent and the swingline lender, and Bank of America, N.A., JPMorgan Chase Bank, N.A., U.S. Bank National Association and Citibank, N.A.
10.2*	Third Amendment to Lease Agreement dated as of October 16, 2024 by and between AeroVironment, Inc. and Hillside III LLC related to 900 Innovators Way, Simi Valley, CA 93065, and related agreements
10.3*	Amended and Restated Executive Severance Plan of AeroVironment, Inc.
10.4*	Executive Transaction Severance Plan of AeroVironment, Inc.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32#	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document – The instance document does not appear in the Interactive Data Files because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File formatted as Inline XBRL and contained in Exhibit 101

* Filed herewith

- (1) Incorporated by reference herein to Exhibit 2.1 to the Company’s Current Report on Form 8-K filed November 19, 2024 (File No. 001-33261).
- (2) Incorporated by reference herein to Exhibit 3.1 and Exhibit 3.2 to the Company’s Current Report on Form 8-K filed October 3, 2024 (File No. 001-33261).

The information in Exhibit 32 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act (including this report), unless the Company specifically incorporates the foregoing information into those documents by reference.

SIGNATURES

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

Date: December 4, 2024

AEROVIRONMENT, INC.

By: /s/ Wahid Nawabi
Wahid Nawabi
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

/s/ Kevin P. McDonnell
Kevin P. McDonnell
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ Brian C. Shackley
Brian C. Shackley
Vice President and Chief Accounting Officer
(Principal Accounting Officer)

THIRD AMENDMENT TO CREDIT AGREEMENT

dated as of October 4, 2024

among

AEROVIRONMENT, INC.,
as the Borrower,

THE GUARANTORS PARTY HERETO,

BANK OF AMERICA, N.A.,
as the Administrative Agent, the Swingline Lender and an L/C Issuer,

THE OTHER L/C ISSUERS PARTY HERETO,

and

THE LENDERS (INCLUDING THE NEW LENDER) PARTY HERETO

BOFA SECURITIES, INC.,
JPMORGAN CHASE BANK, N.A.,
and
U.S. BANK NATIONAL ASSOCIATION,
as Joint Lead Arrangers and Joint Bookrunners

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THIRD AMENDMENT TO CREDIT AGREEMENT

THIS THIRD AMENDMENT TO CREDIT AGREEMENT (this “Agreement”), dated as of October 4, 2024 (the “Third Amendment Effective Date”), is entered into among AEROVIRONMENT, INC., a Delaware corporation (the “Borrower”), the Guarantors party hereto, the Lenders (including the New Lender (as defined below)) party hereto, BANK OF AMERICA, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party hereto. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Existing Credit Agreement (as defined below) or the Amended Credit Agreement (as defined below), as applicable.

RECITALS

WHEREAS, the Borrower, the Guarantors party thereto, the Lenders from time to time party thereto, Bank of America, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party thereto, have entered into that certain Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time prior to the Third Amendment Effective Date, the “Existing Credit Agreement”); and

WHEREAS, the Borrower has requested that the parties hereto amend the Existing Credit Agreement as set forth below, subject to the terms and conditions specified in this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendments to Existing Credit Agreement; Effect of this Agreement; No Impairment; Reallocation; New Lender.

(a) Effective as of the Third Amendment Effective Date, the parties hereto agree that: (i) the Existing Credit Agreement is hereby amended to (i) delete the stricken text (indicated textually in the same manner as the following example: ~~stricken-text~~ or ~~stricken-text~~), and (ii) add the bold underlined text (indicated textually in the same manner as the following example: double-underlined text or double-underlined text), in each case, as set forth in the credit agreement attached hereto as Annex A (the Existing Credit Agreement, as amended as set forth on Annex A attached hereto, the “Amended Credit Agreement”); (ii) Schedules 1.01(a), 1.01(b), 1.01(c), 5.18(a), 5.18(b), 5.19(b), 5.19(c), 5.19(d), 7.01, 7.02 and 7.03 to the Existing Credit Agreement are hereby amended to read in the forms attached hereto as Schedules 1.01(a), 1.01(b), 1.01(c), 5.18(a), 5.18(b), 5.19(b), 5.19(c), 5.19(d), 7.01, 7.02, and 7.03; and (iii) Exhibits A, B, D, E, F and G to the Existing Credit Agreement are hereby amended to read in the forms attached hereto as Exhibits A, B, D, E, F and G. The Amended Credit Agreement is not a novation of the Existing Credit Agreement.

(b) Except as expressly modified and amended in this Agreement, all of the terms, provisions and conditions of the Loan Documents shall remain unchanged and in full force and effect. The Loan Documents and any and all other documents heretofore, now or hereafter executed and delivered pursuant to the terms of the Existing Credit Agreement are hereby amended so that any reference to the Existing Credit Agreement shall mean a reference to the Amended Credit Agreement.

(c) Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any Secured Party under the Existing Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document, all of which, as amended, supplemented or otherwise modified hereby, are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document in similar or different circumstances.

(d) On the Third Amendment Effective Date, the Revolving Commitment (as in effect immediately prior to the Third Amendment Effective Date) of each Lender under the Existing Credit Agreement, and all outstanding Revolving Loans held by such Lender under the Existing Credit Agreement immediately prior to the Third Amendment Effective Date, in each case, shall be reallocated and restated such that, after giving effect to such reallocation and restatement and the other transactions contemplated by this Agreement and the Amended Credit Agreement to occur on the Third Amendment Effective Date, as of the Third Amendment Effective Date, each Lender (including the New Lender) shall (i) have a Revolving Commitment in the amount set forth opposite such Lender's name on Schedule 1.01(b), attached hereto, (ii) hold the portion of the Revolving Loans outstanding under the Amended Credit Agreement on the Third Amendment Effective Date corresponding to such Lender's Applicable Revolving Percentage (as in effect under the Amended Credit Agreement on the Third Amendment Effective Date in accordance with the Applicable Percentages of the Revolving Facility reflected on Schedule 1.01(b) attached hereto), and (iii) have participations in respect of Letters of Credit and Swingline Loans, in each case, outstanding under the Amended Credit Agreement on the Third Amendment Effective Date corresponding to such Lender's Applicable Revolving Percentage (as in effect under the Amended Credit Agreement on the Third Amendment Effective Date in accordance with the Applicable Percentages of the Revolving Facility reflected on Schedule 1.01(b) attached hereto). The parties hereto agree that the Borrower and the Administrative Agent shall be permitted to effect such assignments, prepayments, borrowings, reallocations and restatements as are necessary (including pursuant to a cashless settlement mechanism approved by the Borrower and the Administrative Agent) to effectuate the reallocation contemplated by this Section 1(d).

(e) By execution of this Agreement, Citibank, N.A. (the "New Lender") hereby acknowledges, agrees and confirms that, by its execution of this Agreement, the New Lender shall be deemed to be a party to the Amended Credit Agreement as of the Third Amendment Effective Date and a "Lender" for all purposes of the Amended Credit Agreement and shall have all of the obligations of a Lender thereunder. The New Lender hereby ratifies, as of the Third Amendment Effective Date, and agrees to be bound by, all of the terms, provisions and conditions applicable to Lenders contained in the Amended Credit Agreement and the other Loan Documents. The New Lender (i) represents and warrants that (A) it has full power and authority, and has taken all action necessary, to execute and deliver this Agreement and to consummate the transactions contemplated hereby and to become a Lender under the Amended Credit Agreement, (B) it satisfies the requirements of an Eligible Assignee, (C) from and after the Third Amendment Effective Date, it shall be bound by the provisions of the Amended Credit Agreement and the other Loan Documents as a Lender thereunder and shall have the obligations of a Lender thereunder, (D) it is sophisticated with respect to its decision to enter into this Agreement and to become a Lender under the Amended Credit Agreement and either it, or the Person exercising discretion in making its decision to enter into this Agreement and to become a Lender under the

Amended Credit Agreement, is experienced in transactions of this type, (E) it has received a copy of the Amended Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Sections 6.01(a) and (b) of the Existing Credit Agreement and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Agreement and to become a Lender under the Amended Credit Agreement, (F) it has, independently and without reliance upon the Administrative Agent, any Lender or any other Person and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and become a Lender under the Amended Credit Agreement, and (G) it has delivered any documentation required to be delivered by it pursuant to the terms of the Amended Credit Agreement, duly completed and executed by it, and (ii) agrees that (A) it will, independently and without reliance on the Administrative Agent, any L/C Issuer, any Lender or any other Person, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (B) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender. The address of the New Lender for purposes of Section 11.02 of the Amended Credit Agreement is as set forth in the New Lender's Administrative Questionnaire delivered by the New Lender to the Administrative Agent on or before the Third Amendment Effective Date, or such other address as shall be designated by the New Lender in accordance with Section 11.02 of the Amended Credit Agreement.

(f) Each of the Loan Parties agrees that, as of the Third Amendment Effective Date, the New Lender shall (i) be a party to the Amended Credit Agreement, (ii) be a "Lender" for all purposes of the Amended Credit Agreement and the other Loan Documents, and (iii) have the rights and obligations of a Lender under the Amended Credit Agreement and the other Loan Documents.

2. Conditions Precedent. The effectiveness of this Agreement and the obligation of each L/C Issuer and each Lender (including the New Lender) to make its initial Credit Extension under the Amended Credit Agreement are subject to satisfaction (or waiver) of the following conditions precedent:

(a) The Administrative Agent shall have received (i) counterparts of this Agreement executed by (A) a Responsible Officer of each Loan Party, (B) each Lender (including the New Lender), (C) each L/C Issuer, (D) the Swingline Lender, and (E) the Administrative Agent, and (ii) to the extent requested by the New Lender prior to the Third Amendment Effective Date, a Note in favor of the New Lender executed by a Responsible Officer of the Borrower.

(b) The Administrative Agent shall have received the following: (i) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the jurisdiction of its organization and certified by a Responsible Officer of such Loan Party to be true and correct as of the Third Amendment Effective Date; (ii) such certificates of resolutions or other action, incumbency certificates, and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement, the Amended Credit Agreement and the other Loan Documents to which such Loan Party is a party; (iii) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its jurisdiction of organization.

(c) The Administrative Agent shall have received an opinion or opinions of counsel for the Loan Parties, dated the Third Amendment Effective Date and addressed to the Administrative Agent, the L/C Issuers and the Lenders (including the New Lender), in form and substance acceptable to the Administrative Agent.

(d) The Administrative Agent shall have received an annual budget and projections prepared by management of the Borrower, in form and substance reasonably satisfactory to the Arrangers.

(e) The Administrative Agent shall have received: (i)(A) searches of UCC filings in the jurisdiction of organization of each Loan Party and each jurisdiction where any Collateral is located or where a filing would need to be made in order to perfect the Administrative Agent's security interest in the Collateral, copies of the financing statements on file in such jurisdictions and evidence that no Liens exist other than Permitted Liens, and (B) tax lien and judgment searches; (ii) searches of ownership of registered and pending Intellectual Property of the Loan Parties in the United States Copyright Office and the United States Patent and Trademark Office and duly executed notices of grant of security interest in the form required by the Collateral Documents as are necessary to perfect the Administrative Agent's security interest in such Intellectual Property; (iii) completed UCC financing statements for each appropriate jurisdiction as is necessary to perfect the Administrative Agent's security interest in the Collateral to the extent that a security interest in such Collateral may be perfected by the filing of a UCC financing statement; (iv) to the extent required to be delivered pursuant to the terms of the Collateral Documents, stock, equity, share or membership certificates and endorsements of, or recordings of, or notations on, such certificates evidencing Equity Interests pledged pursuant to the terms of the Collateral Documents, together with, where applicable, undated stock or transfer powers duly executed in blank; and (v) to the extent required to be delivered pursuant to the terms of the Collateral Documents, all instruments, documents and chattel paper in the possession of any of the Loan Parties, together with allonges or assignments as may be necessary to perfect the Administrative Agent's security interest in the Collateral.

(f) The Administrative Agent shall have received copies of insurance certificates evidencing insurance meeting the requirements set forth in the Loan Documents.

(g) The Administrative Agent shall have received a Solvency Certificate signed by the chief financial officer of the Borrower certifying that the Borrower and its Subsidiaries, on a Consolidated basis after giving effect to the transactions to be consummated in connection with this Agreement and the Amended Credit Agreement on the Third Amendment Effective Date, are Solvent.

(h) There shall not have occurred since April 30, 2024 any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect .

(i) Immediately before and immediately after giving effect to the transactions to be consummated in connection with this Agreement and the Amended Credit Agreement on the Third Amendment Effective Date, (i) no Default shall have occurred and be continuing, and (ii) the representations and warranties of each Loan Party contained in this Agreement, the Amended Credit Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall (A) with respect to representations and warranties that contain a materiality qualification, be true and correct on and as of the Third Amendment Effective Date, except to the extent that such representations and

warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and (B) with respect to representations and warranties that do not contain a materiality qualification, be true and correct in all material respects on and as of the Third Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, and except that for purposes of the condition set forth in this Section 2(i)(ii), the representations and warranties contained in Sections 5.05(a) and (b) of the Amended Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b), respectively, of the Existing Credit Agreement.

(j) The Administrative Agent shall have received a certificate signed by a Responsible Officer of the Borrower certifying that the conditions specified in Sections 2(h) and (i) have been satisfied.

(k) The Borrower shall have, or concurrently with the Third Amendment Effective Date will have, (i) paid all accrued and unpaid interest on the Loans outstanding under the Existing Credit Agreement to the Third Amendment Effective Date, (ii) paid all accrued and unpaid fees owing to the Lenders under the Existing Credit Agreement to the Third Amendment Effective Date, and (iii) repaid in full the outstanding amount of all Term A Loans.

(l) All fees required to be paid on the Third Amendment Effective Date, and all reasonable out-of-pocket expenses required to be paid on the Third Amendment Effective Date, in each case, shall have been paid.

(m) The Administrative Agent and each Lender (including the New Lender) shall have completed a due diligence investigation of the Borrower and its Subsidiaries in scope, and with results, satisfactory to the Administrative Agent or such Lender, including U.S. Department of Treasury Office of Foreign Assets Control, Foreign Corrupt Practices Act and “know your customer” due diligence. The Loan Parties shall have provided to the Administrative Agent and each Lender (including the New Lender) the documentation and other information requested by the Administrative Agent or such Lender in order to comply with applicable law, including the PATRIOT Act. If any Loan Party qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, such Loan Party shall deliver, to each Lender (including the New Lender) that so requests, a Beneficial Ownership Certification in relation to such Loan Party.

For purposes of determining compliance with the conditions specified in this Section 2, each Lender (including the New Lender) that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender (or any of its Affiliates) unless the Administrative Agent shall have received notice from such Lender prior to the proposed Third Amendment Effective Date specifying its objection thereto.

3. Miscellaneous.

(a) The Loan Documents and the obligations of the Loan Parties thereunder are hereby ratified and confirmed and shall remain in full force and effect according to their terms. This Agreement shall constitute a Loan Document.

(b) Each Loan Party (i) agrees that the Collateral Documents continue to be in full force and effect and are not impaired or adversely affected in any manner whatsoever, (ii) confirms its grant of security interests pursuant to the Collateral Documents to which it is a party

as Collateral for the Secured Obligations, and (iii) acknowledges that all Liens granted (or purported to be granted) pursuant to the Collateral Documents remain and continue in full force and effect in respect of, and to secure, the Secured Obligations.

(c) Each Guarantor (i) acknowledges and consents to all of the terms and conditions of this Agreement, (ii) affirms all of its obligations under the Loan Documents, and (iii) agrees that this Agreement and all documents executed in connection herewith do not operate to reduce or discharge its obligations under the Loan Documents.

(d) Each Loan Party hereby represents and warrants as follows: (i) such Loan Party has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of this Agreement; (ii) this Agreement has been duly executed and delivered by such Loan Party and constitutes the legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its terms, subject to (A) applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, and (B) solely with respect to the enforcement of any pledge of the Equity Interests in any Foreign Subsidiary or any pledge of intercompany Indebtedness owed by any Foreign Subsidiary, the effect of foreign Laws, rules and regulations as they relate to the enforcement of any such pledge; and (iii) no approval, consent, exemption, authorization or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, such Loan Party of this Agreement, other than authorizations, approvals, actions, notices and filing which have been duly obtained.

(e) This Agreement may be executed in multiple counterparts and by different parties hereto in separate counterparts, all of which, taken together, shall constitute an original. Delivery of an executed counterpart of a signature page of this Agreement by facsimile transmission or electronic transmission (in .pdf) will be effective as delivery of a manually executed counterpart hereof. This Agreement may be in the form of an Electronic Record and may be executed using Electronic Signatures (including facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record. For the avoidance of doubt, the authorization under this Section 3(e) may include use or acceptance by the Administrative Agent of a manually signed paper communication which has been converted into electronic form (such as scanned into .pdf), or an electronically signed communication converted into another format, for transmission, delivery and/or retention. Notwithstanding anything contained herein to the contrary, the Administrative Agent is not under any obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided, that, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept such Electronic Signature, the Administrative Agent shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of any Loan Party, any Lender (including the New Lender), any L/C Issuer, or the Swingline Lender without further verification, and (ii) upon the request of the Administrative Agent, any Electronic Signature shall be promptly followed by a manually executed, original counterpart.

(f) If any provision of this Agreement is held to be illegal, invalid or unenforceable, (i) the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby, and (ii) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions.

The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(g) **THIS AGREEMENT AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.**

(h) The terms of Sections 11.14 and 11.15 of the Existing Credit Agreement with respect to submission to jurisdiction, waiver of venue and waiver of jury trial are incorporated herein by reference, *mutatis mutandis*, and the parties hereto agree to such terms.

[remainder of page intentionally left blank]

Each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

BORROWER:

AEROVIRONMENT, INC.,
a Delaware corporation

By: /s/ Kevin McDonnell

Name: Kevin McDonnell

Title: Senior Vice President and Chief Financial Officer

GUARANTORS:

ARCTURUS UAV, INC.,
a California corporation

By: /s/ Kristy Benson

Name: Kristy Benson

Title: Vice President, Chief Financial Officer and Treasurer

TOMAHAWK ROBOTICS, INC.,
a Delaware corporation

By: /s/ Kristy Benson

Name: Kristy Benson

Title: Treasurer and Chief Financial Officer

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A.,
as the Administrative Agent

By: /s/ Rose Thomas
Name: Rose Thomas
Title: Assistant Vice President

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AEROVIRONMENT, INC.
THIRD AMENDMENT TO CREDIT AGREEMENT

LENDERS:

BANK OF AMERICA, N.A.,
as a Lender, the Swingline Lender, and an L/C Issuer

By: /s/ Jennifer Yan
Name: Jennifer Yan
Title: Senior Vice President

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AEROVIRONMENT, INC.
THIRD AMENDMENT TO CREDIT AGREEMENT

JPMORGAN CHASE BANK, N.A.,
as a Lender and an L/C Issuer (solely with respect to the Existing
JPMorgan Letters of Credit)

By: /s/ Michael Mastronikolas
Name: Michael Mastronikolas
Title: Vice President

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AEROVIRONMENT, INC.
THIRD AMENDMENT TO CREDIT AGREEMENT

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Jamil Chowdhury
Name: Jamil Chowdhury
Title: Vice President

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AEROVIRONMENT, INC.
THIRD AMENDMENT TO CREDIT AGREEMENT

CITIBANK, N.A.,
as a Lender

By: /s/ Hans Lin
Name: Hans Lin
Title: Director

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AEROVIRONMENT, INC.
THIRD AMENDMENT TO CREDIT AGREEMENT

Annex A

Amended Credit Agreement

See attached.

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Published CUSIP Numbers:
Deal: 00807FAA9
Revolving Facility: 00807FAB7

~~Term A Facility: 00807FAC5~~

CREDIT AGREEMENT

Dated as of February 19, 2021

among

AEROVIRONMENT, INC.,
as the Borrower,

CERTAIN SUBSIDIARIES OF THE BORROWER PARTY HERETO,
as the Guarantors,

BANK OF AMERICA, N.A.,
as the Administrative Agent, the Swingline Lender and an L/C Issuer,

THE OTHER L/C ISSUERS PARTY HERETO,

and

THE LENDERS PARTY HERETO

BOFA SECURITIES, INC.,
JPMORGAN CHASE BANK, N.A.,
and
U.S. BANK NATIONAL ASSOCIATION,
as Joint Lead Arrangers and Joint Bookrunners

TABLE OF CONTENTS

	Page
<u>ARTICLE I DEFINITIONS AND ACCOUNTING TERMS</u>	1
<u>1.01</u>	<u>Defined Terms.</u> 1
<u>1.02</u> <u>Other Interpretive Provisions.</u>	40 <u>41</u>
<u>1.03</u> <u>Accounting Terms.</u>	41 <u>42</u>
<u>1.04</u>	<u>Rounding.</u> 44
<u>1.05</u>	<u>Times of Day.</u> 44
<u>1.06</u>	<u>Letter of Credit Amounts.</u> 44
<u>1.07</u> <u>UCC Terms.</u>	44 <u>45</u>
<u>1.08</u> <u>Interest Rates.</u>	44 <u>45</u>
<u>ARTICLE II COMMITMENTS AND CREDIT EXTENSIONS</u>	45
<u>2.01</u>	<u>Loans.</u> 45
<u>2.02</u> <u>Borrowings, Conversions and Continuations of Loans.</u>	46
<u>2.03</u>	<u>Letters of Credit.</u> 51
<u>2.04</u>	<u>Swingline Loans.</u> 61
<u>2.05</u>	<u>Prepayments.</u> 64
<u>2.06</u> <u>Termination or Reduction of Commitments.</u>	65
<u>2.07</u>	<u>Repayment of Loans.</u> 66
<u>2.08</u> <u>Interest and Default Rate.</u>	67 <u>66</u>
<u>2.09</u> <u>Fees.</u>	68 <u>67</u>
<u>2.10</u> <u>Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate.</u>	69 <u>67</u>
<u>2.11</u> <u>Evidence of Debt.</u>	69 <u>68</u>
<u>2.12</u> <u>Payments Generally; Administrative Agent’s Clawback.</u>	70 <u>68</u>
<u>2.13</u> <u>Sharing of Payments by Lenders.</u>	72 <u>71</u>
<u>2.14</u> <u>Cash Collateral.</u>	73 <u>71</u>
<u>2.15</u> <u>Defaulting Lenders.</u>	74 <u>72</u>
<u>ARTICLE III TAXES, YIELD PROTECTION AND ILLEGALITY</u>	76 <u>75</u>
<u>3.01</u> <u>Taxes.</u>	76 <u>75</u>
<u>3.02</u> <u>Illegality.</u>	80 <u>78</u>
<u>3.03</u> <u>Inability to Determine Rates.</u>	80 <u>79</u>
<u>3.04</u> <u>Increased Costs.</u>	82 <u>81</u>
<u>3.05</u> <u>Compensation for Losses.</u>	84 <u>82</u>
<u>3.06</u> <u>Mitigation Obligations; Replacement of Lenders.</u>	84 <u>83</u>
<u>3.07</u> <u>Survival.</u>	85 <u>83</u>
<u>ARTICLE IV CONDITIONS PRECEDENT TO CREDIT EXTENSIONS</u>	85 <u>83</u>
<u>4.01</u> Conditions of Initial Credit Extension <u>[Reserved].</u>	85 <u>83</u>
<u>4.02</u> <u>Conditions to all Credit Extensions</u> After the Closing Date.	88 <u>83</u>
<u>ARTICLE V REPRESENTATIONS AND WARRANTIES</u>	89 <u>84</u>
<u>5.01</u> <u>Existence, Qualification and Power.</u>	89 <u>84</u>
<u>5.02</u> <u>Authorization; No Contravention.</u>	90 <u>84</u>
<u>5.03</u> <u>Governmental Authorization; Other Consents.</u>	90 <u>85</u>
<u>5.04</u> <u>Binding Effect.</u>	90 <u>85</u>
<u>5.05</u> <u>Financial Statements; No Material Adverse Effect.</u>	90 <u>85</u>
<u>5.06</u> <u>Litigation.</u>	91 <u>86</u>
<u>5.07</u> <u>No Default.</u>	91 <u>86</u>
<u>5.08</u> <u>Ownership of Property.</u>	91 <u>86</u>
<u>5.09</u> <u>Environmental Compliance.</u>	91 <u>86</u>
<u>5.10</u> <u>Insurance.</u>	92 <u>87</u>
<u>5.11</u> <u>Taxes.</u>	92 <u>87</u>
<u>5.12</u> <u>ERISA Compliance.</u>	93 <u>87</u>



5.13	Margin Regulations; Investment Company Act	9388
5.14	Disclosure	9489
5.15	Compliance with Laws	9489
5.16	Solvency	9489
5.17	Sanctions Concerns and Anti-Corruption Laws	9489
5.18	Subsidiaries; Equity Interests; Loan Parties	9590
5.19	Collateral Representations	9590
5.20	Affected Financial Institutions	9691
5.21	Covered Entities	9691
ARTICLE VI AFFIRMATIVE COVENANTS		9691
6.01	Financial Statements	9691
6.02	Certificates; Other Information	9792
6.03	Notices	9994
6.04	Payment of Obligations	+0095
6.05	Preservation of Existence, Etc.	+0095
6.06	Maintenance of Properties	+0095
6.07	Maintenance of Insurance	+0196
6.08	Compliance with Laws	+0196
6.09	Books and Records	+0196
6.10	Inspection Rights	+0196
6.11	Use of Proceeds	+0297
6.12	Covenant to Guarantee Obligations	+0297
6.13	Covenant to Give Security	+0297
6.14	Further Assurances	+0398
6.15	Anti-Corruption Laws; Sanctions	+0499
ARTICLE VII NEGATIVE COVENANTS		+0499
7.01	Liens	+0499
7.02	Indebtedness	+07102
7.03	Investments	+09105
7.04	Fundamental Changes	+10106
7.05	Dispositions	+11107
7.06	Restricted Payments	+11108
7.07	Change in Nature of Business	+12109
7.08	Transactions with Affiliates	+12109
7.09	Burdensome Agreements	+13109
7.10	Use of Proceeds	+13110
7.11	Financial Covenants	+13110
7.12	Amendments of Organization Documents; Changes in Fiscal Year, Legal Name, State of Organization, or Form of Entity; Accounting Changes	+14110
7.13	Sale and Leaseback Transactions	+14111
7.14	Junior Debt Payments	+14111
7.15	Amendment, Etc. of Junior Debt; Amendment, Etc. of Permitted Securitization Transactions	+15111
7.16	Sanctions	+15111
7.17	Anti-Corruption Laws	+15112
ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES		+15112
8.01	Events of Default	+15112
8.02	Remedies upon Event of Default	+17114
8.03	Application of Funds	+18115
ARTICLE IX ADMINISTRATIVE AGENT		+19116
9.01	Appointment and Authority	+19116

9.02	Rights as a Lender	+20 117
9.03	Exculpatory Provisions	+20 117
9.04	Reliance by Administrative Agent	+21 118
9.05	Delegation of Duties	+21 118
9.06	Resignation of Administrative Agent	+22 119
9.07	Non-Reliance on Administrative Agent, Arrangers and Other Lenders	+23 120
9.08	No Other Duties, Etc	+24 121
9.09	Administrative Agent May File Proofs of Claim; Credit Bidding	+24 121
9.10	Collateral and Guaranty Matters	+25 122
9.11	Secured Cash Management Agreements and, Secured Hedge Agreements- +26and Secured Bilateral Letters of Credit	123
9.12	Certain ERISA Matters	+27 124
9.13	Recovery of Erroneous Payments	+28 125
ARTICLE X CONTINUING GUARANTY		
10.01	Guaranty	+28 125
10.02	Rights of Lenders	+28 126
10.03	Certain Waivers	+29 126
10.04	Obligations Independent	+29 126
10.05	Subrogation	+29 126
10.06	Termination; Reinstatement	+29 126
10.07	Stay of Acceleration	+30 127
10.08	Condition of Borrower	+30 127
10.09	Appointment of Borrower	+30 127
10.10	Right of Contribution	+30 127
10.11	Keepwell	+30 127
ARTICLE XI MISCELLANEOUS		
11.01	Amendments, Etc	+31 128
11.02	Notices; Effectiveness; Electronic Communications	+33 130
11.03	No Waiver; Cumulative Remedies; Enforcement	+35 132
11.04	Expenses; Indemnity; Damage Waiver	+36 133
11.05	Payments Set Aside	+38 135
11.06	Successors and Assigns	+38 135
11.07	Treatment of Certain Information; Confidentiality	+42 140
11.08	Right of Setoff	+44 141
11.09	Interest Rate Limitation	+44 141
11.10	Integration; Effectiveness	+45 142
11.11	Survival of Representations and Warranties	+45 142
11.12	Severability	+45 142
11.13	Replacement of Lenders	+45 142
11.14	Governing Law; Jurisdiction; Etc	+46 143
11.15	Waiver of Jury Trial	+47 145
11.16	Subordination	+48 145
11.17	No Advisory or Fiduciary Responsibility	+48 145
11.18	Electronic Execution	+49 146
11.19	USA PATRIOT Act Notice	+50 147
11.20	Acknowledgement and Consent to Bail-In of Affected Financial Institutions	+50 147
11.21	Acknowledgement Regarding Any Supported QFCs	+50 147
11.22	ENTIRE AGREEMENT	+51 148

SCHEDULES

Schedule 1.01(a)	Administrative Agent's Office; Certain Addresses for Notices
Schedule 1.01(b)	Commitments and Applicable Percentages; L/C Commitments; Swingline Commitment
Schedule 1.01(c)	Existing Letters of Credit
Schedule 5.18(a)	Subsidiaries, Joint Ventures, Partnerships and Other Equity Investments
Schedule 5.18(b)	Loan Parties
Schedule 5.19(b)	Intellectual Property
Schedule 5.19(c)	Deposit Accounts and Securities Accounts
Schedule 5.19(d)	Real Properties
Schedule 7.01	Existing Liens Existing as of the Third Amendment Effective Date
Schedule 7.02	Existing Indebtedness Existing as of the Third Amendment Effective Date
Schedule 7.03	Existing Investments Existing as of the Third Amendment Effective Date

EXHIBITS

Exhibit A	Form of Assignment and Assumption
Exhibit B	Form of Compliance Certificate
Exhibit C	Form of Joinder Agreement
Exhibit D	Form of Loan Notice
Exhibit E	Form of Notice of Loan Prepayment
Exhibit F	Form of Secured Party Designation Notice
Exhibit G	Form of Solvency Certificate
Exhibit H	Form of Swingline Loan Notice
Exhibit I	Form of Note
Exhibit J	Forms of U.S. Tax Compliance Certificates

CREDIT AGREEMENT

This CREDIT AGREEMENT is entered into as of February 19, 2021, among AEROVIRONMENT, INC., a Delaware corporation (the “Borrower”), the Guarantors party hereto, the Lenders party hereto, BANK OF AMERICA, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party hereto.

PRELIMINARY STATEMENTS:

~~WHEREAS, the Borrower entered into that certain Stock Purchase Agreement, dated as of January 11, 2021 (together with all schedules, exhibits and annexes thereto, the “Closing Date Acquisition Agreement”), by and among the Borrower, Areturus UAV, Inc., a California corporation (the “Closing Date Acquisition Target”), the Persons identified therein as “Sellers” (collectively, the “Sellers”), and D’Milo Hallerberg, solely in his capacity as the representative of the Sellers, pursuant to which the Borrower will acquire one hundred percent (100%) of the outstanding Equity Interests of the Closing Date Acquisition Target (the “Closing Date Acquisition”);~~

~~WHEREAS, in connection with the Closing Date Acquisition and the other transactions contemplated hereby, the Loan Parties have requested that the Lenders, the Swingline Lender, and the L/C Issuers make loans and other financial accommodations to the Borrower and its Subsidiaries as set forth herein; and~~

WHEREAS, the Lenders, the Swingline Lender and the L/C Issuers have agreed to make such loans and other financial accommodations to the Borrower and its Subsidiaries, on the terms and subject to the conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms.

As used in this Agreement, the following terms shall have the meanings set forth below:

“Accounts Receivable Securitization Transaction” means any Securitization Transaction pursuant to which Receivables and Related Assets are sold or purported to be sold, conveyed, contributed or otherwise transferred.

“Acquisition” means the acquisition, whether through a single transaction or a series of related transactions, of (a) a majority of the Voting Stock or other controlling ownership interest in another Person (including the purchase of an option, warrant or convertible or similar type security to acquire such a controlling interest at the time it becomes exercisable by the holder thereof), whether by purchase of such equity or other ownership interest or upon the exercise of an option or warrant for, or conversion of securities into, such equity or other ownership interest, or (b) assets of another Person which constitute all or substantially all of the assets of such Person or of a division, line of business or other business unit of such Person.

“Acquisition Consideration” means the purchase consideration for any Permitted Acquisition and all other payments by any Loan Party or any Subsidiary in exchange for, or as part of, or in connection with, any Permitted Acquisition, whether paid in cash or by exchange of Equity Interests or of properties or otherwise and whether payable at or prior to the consummation of such Permitted Acquisition or deferred for payment at any future time, whether or not any such future payment is subject to the occurrence of any contingency, including any and all payments representing the purchase price and any assumptions of Indebtedness, deferred purchase price, Earn Out Obligations and other agreements to make any payment the amount of which is, or the terms of payment of which are, in any respect subject to or contingent upon the revenues, income, cash flow or profits (or the like) of any Person. For purposes of determining the aggregate consideration paid for any Permitted Acquisition, the amount of any Earn Out Obligations shall be deemed to be the maximum amount of the earn-out payments in respect thereof as specified in the documents relating to such Permitted Acquisition.

“Additional Secured Obligations” means (a) all obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements, ~~and~~ (b) all obligations arising under or with respect to Secured Bilateral Letters of Credit, and (c) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, expenses and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest, expenses and fees are allowed claims in such proceeding; provided, that, Additional Secured Obligations of a Guarantor shall exclude any Excluded Swap Obligations with respect to such Guarantor.

“Administrative Agent” means Bank of America (or any of its designated branch offices or affiliates), in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

“Administrative Agent’s Office” means the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 1.01(a), or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders.

“Administrative Questionnaire” means an Administrative Questionnaire in a form approved by the Administrative Agent.

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

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Aggregate Commitments” means the Commitments of all the Lenders.

“Agreement” means this Credit Agreement.

“Applicable Percentage” means (a) ~~in respect of the Term A Facility, with respect to any Term A Lender at any time, the percentage (carried out to the ninth decimal place) of the Term A Facility~~

~~represented by (i) on or prior to the funding of the Term A Loans on the Closing Date, such Term A Lender's Term A Commitment at such time, and (ii) thereafter, the outstanding principal amount of such Term A Lender's Term A Loan at such time;~~[reserved], (b) in respect of the Revolving Facility, with respect to any Revolving Lender at any time, the percentage (carried out to the ninth decimal place) of the Revolving Facility represented by such Revolving Lender's Revolving Commitment at such time, subject to adjustment as provided in Section 2.15, and (c) in respect of an Incremental Term Facility, with respect to any Incremental Term Lender under such Incremental Term Facility at any time, the percentage (carried out to the ninth decimal place) of such Incremental Term Facility represented by (i) on or prior to the funding of the Incremental Term Loans under such Incremental Term Facility, such Incremental Term Lender's Incremental Term Commitment with respect to such Incremental Term Facility at such time, and (ii) thereafter, the outstanding principal amount of such Incremental Term Lender's Incremental Term Loan advanced in connection with such Incremental Term Facility at such time. If the Revolving Commitments of all of the Revolving Lenders to make Revolving Loans and the obligation of the L/C Issuers to make L/C Credit Extensions have been terminated pursuant to Section 8.02, or if the Revolving Commitments have expired, then the Applicable Percentage of each Revolving Lender in respect of the Revolving Facility shall be determined based on the Applicable Percentage of such Revolving Lender in respect of the Revolving Facility most recently in effect, giving effect to any subsequent assignments and to any Lender's status as a Defaulting Lender at the time of determination. The initial Applicable Percentage of each Lender in respect of each Facility is set forth opposite the name of such Lender on Schedule 1.01(b), in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, or in such other documentation pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Rate" means (a) with respect to the Incremental Term Loans advanced in connection with any Incremental Term Facility, the percentage(s) per annum set forth in the Incremental Term Facility Agreement entered into in connection with such Incremental Term Facility, and (b) with respect to the ~~Term A Loans,~~ the Revolving Loans, the Swingline Loans, the Letter of Credit Fee and the Commitment Fee, the following percentages per annum, based upon the Consolidated Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a):

Pricing Tier	Consolidated Leverage Ratio	Commitment Fee	Letter of Credit Fee	Term SOFR Loans	Base Rate Loans
I	> 3.00 <u>4.00</u> to 1.0	0.35 <u>0.40</u> %	2.50%	2.50%	1.50%
II	≤ 3.00 <u>4.00</u> to 1.0 but ≥ 2.50 <u>3.00</u> to 1.0	0.35%	2.25%	2.25%	1.25%
III	< 2.50 <u>3.00</u> to 1.0 but ≥ 1.75 <u>2.00</u> to 1.0	0.30%	2.00%	2.00%	1.00%
IV	< 1.75 <u>2.00</u> to 1.0 but ≥ 1.00 to 1.0	0.25%	1.75%	1.75%	0.75%
V	< 1.00 to 1.0	0.20%	1.50%	1.50%	0.50%

Any increase or decrease in the Applicable Rate applicable pursuant to this clause (b) resulting from a change in the Consolidated Leverage Ratio shall become effective as of the first (1st) Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(a);

provided, that, if a Compliance Certificate is not delivered when due in accordance with Section 6.02(a), then, upon the request of the Required Lenders, Pricing Tier I shall apply as of the first (1st) Business Day after the date on which such Compliance Certificate was required to have been delivered and shall remain in effect until the first (1st) Business Day immediately following the date on which such Compliance Certificate is delivered in accordance with Section 6.02(a), whereupon the Applicable Rate applicable pursuant to this clause (b) shall be adjusted based upon the calculation of the Consolidated Leverage Ratio contained in such Compliance Certificate. The Applicable Rate applicable pursuant to this clause (b) in effect from the ~~Closing~~Third Amendment Effective Date until the first (1st) Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(a) for the fiscal quarter ending ~~July 31, 2021~~January 25, 2025 shall be determined based upon Pricing Tier ~~HV~~HV. Notwithstanding anything to the contrary contained in this definition, the determination of the Applicable Rate applicable pursuant to this clause (b) for any period shall be subject to the provisions of Section 2.10(b).

“Applicable Revolving Percentage” means, with respect to any Revolving Lender at any time, such Revolving Lender’s Applicable Percentage in respect of the Revolving Facility at such time.

“Appropriate Lender” means, at any time, (a) with respect to any Facility, a Lender that has a Commitment with respect to such Facility or holds a Loan under such Facility at such time, (b) with respect to the Letter of Credit Sublimit, (i) each L/C Issuer, and (ii) if any Letters of Credit have been issued pursuant to Section 2.03, each Revolving Lender, and (c) with respect to the Swingline Sublimit, (i) the Swingline Lender, and (ii) if any Swingline Loans are outstanding pursuant to Section 2.04(a), each Revolving Lender.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender, or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arranger” means each of (a) BofA Securities, (b) JPMorgan, and (c) U.S. Bank National Association, in each case in its capacities as a joint lead arranger and a joint bookrunner.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit A or any other form (including an electronic documentation form generated by use of an electronic platform) approved by the Administrative Agent.

“Attributable Indebtedness” means, on any date, (a) in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation of any Person, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease or other agreement or instrument were accounted for as a Capitalized Lease, (c) in respect of any Securitization Transaction, the amount of obligations outstanding under the legal documents entered into as part of such Securitization Transaction on such date that corresponds to the outstanding net investment (including loans) of, or cash purchase price paid by, the unaffiliated third party purchasers or financial institutions participating in such transaction and, as such, would be characterized as principal if such transaction were structured as a secured lending transaction rather than as a purchase (or, to the extent structured as a secured lending transaction, is principal), and (d) in respect of any Sale and Leaseback Transaction, the present value (discounted in accordance with GAAP at the debt rate implied in the applicable lease) of the obligations of the lessee for rental payments during the term of such lease.

“Audited Financial Statements” means the audited Consolidated balance sheet of the Borrower and its Subsidiaries for the fiscal year of the Borrower ended April 30, ~~2020~~2024 and the related Consolidated statements of income, stockholders’ equity and cash flows for such fiscal year of the Borrower and its Subsidiaries, including the notes thereto.

“Auto-Extension Letter of Credit” has the meaning specified in Section 2.03(b)(ii).

“Availability Period” means the period from and including the Closing Date to the earliest of (a) the Revolving Facility Maturity Date, (b) the date of termination of the Revolving Facility pursuant to Section 2.06, and (c) the date of termination of the Revolving Commitment of each Revolving Lender to make Revolving Loans and of the obligation of the L/C Issuers to make L/C Credit Extensions pursuant to Section 8.02; ~~provided, that, notwithstanding the foregoing, no Revolving Borrowing shall be made on the Closing Date.~~

“Available Amount” means, as of any date of determination, an amount equal to the total of (a) the sum of, without duplication, (i) \$30,000,000, plus (ii) an amount, not less than zero in the aggregate, equal to fifty percent (50%) of the cumulative Consolidated Net Income for the period (taken as one accounting period) commencing from the first day of the first full fiscal quarter of the Borrower ending after the Closing Date to the end of the fiscal quarter of the Borrower most recently ended prior to such date of determination in respect of which a Compliance Certificate has been delivered as required hereunder, plus (iii) one hundred percent (100%) of the net cash proceeds received by the Borrower prior to such date of determination from issuances after the Closing Date of Qualified Capital Stock of the Borrower (solely to the extent such net cash proceeds are Not Otherwise Applied), plus (iv) the amount of any Investment made following the Closing Date in reliance on the Available Amount to the extent that such amount is returned in cash prior to such date of determination from the return of, or a return on, principal of such Investment (other than a sale to a Loan Party or a Subsidiary), or from a dividend or interest received with respect to such Investment, plus (v) the amount by which Indebtedness of the Borrower or any of its Subsidiaries is reduced on the Borrower’s Consolidated balance sheet prior to such date of determination upon the conversion or exchange of such Indebtedness for Qualified Capital Stock of the Borrower (less the amount of any cash or the fair market value of other property distributed by the Borrower or any Subsidiary upon such conversion or exchange, other than in connection with a restructuring), minus (b) the sum of (i) the cumulative aggregate amount of all Investments made in reliance on the Available Amount pursuant to Section 7.03(mm), plus (ii) the cumulative aggregate amount of all Junior Debt Payments made in reliance on the Available Amount pursuant to Section 7.14(a)(iii).

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

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

“Bank of America” means Bank of America, N.A. and its successors.

“Base Rate” means for any day a fluctuating rate of interest per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate,” and (c) the Term SOFR plus 1.00%, subject to the interest rate floors set forth therein; provided, that, if the Base Rate shall be less than one percent (1%), such rate shall be deemed one percent (1%) for purposes of this Agreement. The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such prime rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change. If the Base Rate is being used as an alternate rate of interest pursuant to Section 3.03, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

“Base Rate Loan” means a Revolving Loan or an Incremental Term Loan that bears interest based on the Base Rate.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

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

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

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Bilateral Letter of Credit” means any letter of credit (including standby and commercial), bankers’ acceptance, bank guarantee, surety bond or similar instrument issued by a Bilateral Letter of Credit L/C Issuer for the account of any Loan Party or any Subsidiary; provided, that, such Bilateral Letter of Credit is permitted pursuant to Section 7.02(s).

“Bilateral Letter of Credit L/C Issuer” means any Person, in its capacity as an issuer of a Bilateral Letter of Credit, that (a) at the time it issues a Bilateral Letter of Credit for the account of a Loan Party or a Subsidiary, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is an issuer of a Bilateral Letter of Credit for the account of a Loan Party or a Subsidiary (in each case, even if such Person ceases to be a Lender or such Person’s Affiliate ceases to be a Lender); provided, that, for any Bilateral Letter of Credit to be included as a “Secured Bilateral Letter of Credit” on any date of determination by the Administrative Agent, the applicable Bilateral Letter of Credit L/C Issuer (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

“BofA Securities” means BofA Securities, Inc.

“Borrower” has the meaning specified in the introductory paragraph hereto.

“Borrower Materials” has the meaning specified in Section 6.02.

“Borrowing” means a Revolving Borrowing, a Swingline Borrowing or ~~an~~ Incremental Term Borrowing, as the context may require.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent’s Office is located.

“Capital Expenditures” means, with respect to any Person for any period, any expenditure in respect of the purchase or other acquisition of any fixed or capital asset (excluding normal replacements and maintenance which are properly charged to current operations).

“Capitalized Lease” means any lease that has been or is required to be, in accordance with GAAP, recorded, classified and accounted for as a capitalized lease or financing lease.

“Cash Collateralize” means, to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the L/C Issuers or the Swingline Lender (as applicable) or the Revolving Lenders, as collateral for L/C Obligations, Obligations in respect of Swingline Loans, or obligations of the Revolving Lenders to fund participations in respect of L/C Obligations or Swingline Loans (as the context may require), (a) cash or deposit account balances, (b) backstop letters of credit entered into on terms, from issuers and in amounts satisfactory to the Administrative Agent and the applicable L/C Issuer, and/or (c) if the Administrative Agent and the applicable L/C Issuer or the Swingline Lender shall agree, in their sole discretion, other credit support, in each case, in Dollars and pursuant to documentation in form and substance satisfactory to the Administrative Agent and the applicable L/C Issuer or the Swingline Lender (as applicable). “Cash Collateral” shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

“Cash Equivalents” means any of the following types of Investments, to the extent owned by the Borrower or any of its Subsidiaries free and clear of all Liens (other than Permitted Liens): (a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than three hundred sixty days (360) days from the date of acquisition thereof; provided, that, the full faith and credit of the United States is pledged in support thereof; (b) time deposits with, or insured certificates of deposit or bankers’ acceptances of, any commercial bank that (i)(A) is a Lender, or (B) is organized under the laws of the United States, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or the District of Columbia, and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (c) of this definition, and (iii) has combined capital and surplus of at least \$1,000,000,000, in each case with maturities of not more than one hundred eighty (180) days from the date of acquisition thereof; (c) commercial paper issued by any Person organized under the laws of any state of the United States and rated at least “Prime-1” (or the then equivalent grade) by Moody’s or at least “A-1” (or the then equivalent grade) by S&P, in each case with maturities of not more than one hundred eighty (180) days from the date of acquisition thereof; and (d) Investments, classified in accordance with GAAP as current assets of the Borrower or any of its Subsidiaries, in money market investment programs registered under the Investment Company Act of 1940, which are administered by financial institutions that have the highest rating obtainable from either Moody’s or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (a), (b) and (c) of this definition.

“Cash Management Agreement” means any agreement that is not prohibited by the terms hereof to provide treasury or cash management services, including ~~deposit accounts, overnight draft, credit cards, debit cards, p-cards (including purchasing cards and commercial cards), funds transfer, automated~~

~~clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services~~treasury, depository, overdraft, credit or debit card, electronic funds transfer and other cash management ~~services~~arrangements.

“Cash Management Bank” means any Person, in its capacity as a party to a Cash Management Agreement, that (a) at the time it enters into a Cash Management Agreement with a Loan Party or a Subsidiary, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Cash Management Agreement with a Loan Party or a Subsidiary (in each case, even if such Person ceases to be a Lender or such Person’s Affiliate ~~ceased~~ceases to be a Lender); ~~provided, that,~~ for any ~~of the foregoing~~Cash Management Agreement to be included as a “Secured Cash Management Agreement” on any date of determination by the Administrative Agent, the applicable Cash Management Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980.

“CERCLIS” means the Comprehensive Environmental Response, Compensation and Liability Information System maintained by the U.S. Environmental Protection Agency.

“Change in Law” means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty; (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority; or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; ~~provided, that,~~ notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted, issued or implemented.

“Change of Control” means an event or series of events by which:

(a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have “beneficial ownership” of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an “option right”), directly or indirectly, of thirty-five percent (35)% or more of the equity securities of the Borrower entitled to vote for members of the board of directors or other equivalent governing body of the Borrower on a fully-diluted basis (and taking into account all such securities that such “person” or “group” has the right to acquire pursuant to any option right); or

(b) during any period of twelve (12) consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Borrower cease to be composed of individuals (i) who were members of that board or other equivalent governing body

on the first day of such period, (ii) whose election or nomination to that board or other equivalent governing body was nominated, appointed or approved by individuals referred to in clause (b)(i) above constituting at the time of such election or nomination at least a majority of that board or other equivalent governing body, or (iii) whose election or nomination to that board or other equivalent governing body was nominated, appointed or approved by individuals referred to in clauses (b)(i) and (b)(ii) above constituting at the time of such election or nomination at least a majority of that board or other equivalent governing body.

“Closing Date” means February 19, 2021.

~~“Closing Date Acquisition” has the meaning specified in the Preliminary Statements.~~

~~“Closing Date Acquisition Agreement” has the meaning specified in the Preliminary Statements.~~

~~“Closing Date Acquisition Costs” has the meaning specified in the definition of “Transactions”.~~

~~“Closing Date Acquisition Target” has the meaning specified in the Preliminary Statements.~~

~~“Closing Date Equity Contribution” means the issuance by the Borrower of Five Hundred Seventy-Three Thousand Seven Hundred Ninety-Four (573,794) shares of the Borrower’s common Equity Interests to the Sellers on the Closing Date.~~

~~“Closing Date Refinancing” means, collectively, (a) the repayment in full of all Indebtedness of the Closing Date Acquisition Target and its Subsidiaries and the Borrower and its Subsidiaries (in each case other than Indebtedness permitted pursuant to Section 7.02), (b) the termination of all commitments with respect to all such Indebtedness, and (c) the release and/or termination of all liens and security interests securing all such Indebtedness, and all guaranties guarantying such Indebtedness.~~

“CME” means CME Group Benchmark Administration Limited.

“Code” means the Internal Revenue Code of 1986.

“Collateral” means a collective reference to all personal property with respect to which Liens in favor of the Administrative Agent, for the benefit of the Secured Parties, are purported to be granted pursuant to and in accordance with the terms of the Collateral Documents; provided, that, “Collateral” shall not include any Excluded Property.

“Collateral Document” means each of the Security Agreement, each Joinder Agreement, each Qualifying Control Agreement, each security agreement, pledge agreement or other similar agreement delivered to the Administrative Agent pursuant to Section 6.13, and each other agreement, instrument or document that creates or purports to create a Lien in favor of the Administrative Agent, for the benefit of the Secured Parties.

“Commitment” means an Incremental Term Commitment or a Revolving Commitment, as the context may require.

“Commitment Fee” has the meaning specified in Section 2.09(a).

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. § 1 *et seq.*).

“Common Stock” means Equity Interests of the Borrower constituting the Borrower’s common stock, par value \$0.0001 per share.

“Communication” has the meaning specified in Section 11.18.

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

“Conforming Changes” means, with respect to the use, administration of or any conventions associated with SOFR or any proposed Successor Rate or Term SOFR, as applicable, any conforming changes to the definition of “Base Rate,” the definition of “SOFR,” the definition of “Term SOFR,” the definition of “Interest Period,” the timing and frequency of determining rates and making payments of interest, and other technical, administrative or operational matters (including, for the avoidance of doubt, the definition of “Business Day” and the definition of “U.S. Government Securities Business Day”, the timing of borrowing requests or prepayment, conversion or continuation notices, and the length of lookback periods) as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement and any other Loan Document).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated” means, when used with reference to financial statements or financial statement items of the Borrower and its Subsidiaries or any other Person, such statements or items on a consolidated basis in accordance with the consolidation principles of GAAP.

“Consolidated Capital Expenditures” means, for any period, for the Borrower and its Subsidiaries on a Consolidated basis, all Capital Expenditures for such period.

“Consolidated Cash Taxes” means, for any period, for the Borrower and its Subsidiaries on a Consolidated basis, the aggregate of all taxes, as determined in accordance with GAAP, to the extent the same are paid in cash for such period.

“Consolidated EBITDA” means, for any period, for the Borrower and its Subsidiaries on a Consolidated basis, an amount equal to: (a) Consolidated Net Income for such period; plus (b) the following, without duplication, to the extent deducted in calculating such Consolidated Net Income (or, in the case of amounts pursuant to clause (b)(ix) below, not already included in Consolidated Net Income): (i) Consolidated Interest Charges for such period; (ii) the provision for federal, state, local and foreign income taxes paid or payable for such period; (iii) depreciation and amortization expense for such period; (iv) any non-cash expenses, losses or charges (other than any non-cash expense, loss or charge relating to write-offs, write-downs or reserves with respect to accounts or inventory) for such period (including any non-cash stock based compensation expense for such period) which do not represent a cash item in such period or any other period; (v) ~~fees, costs and expenses incurred in such period in connection with the Transactions;~~ [reserved]; (vi) fees, costs and expenses incurred in such period in connection with the negotiation, execution and delivery of any amendments or modifications to the Loan Documents; (vii) restructuring charges or reserves (which shall include retention, severance, systems establishment cost, excess pension charges, contract termination costs, costs related to start up, closure, relocation or consolidation of facilities, costs to relocate employees, consulting fees, one time information technology costs, and one time branding costs); provided, that, the aggregate amount added back pursuant to this clause (b)(vii) for any period, when taken together with the aggregate amount added back pursuant to clause (b)(ix) below for such period, shall not exceed an amount equal to twenty percent (20%) of

Consolidated EBITDA (calculated without giving effect to the add backs permitted pursuant to this clause (b)(vii) or clause (b)(ix) below) for such period; (viii) fees, costs, and expenses incurred in such period in connection with the issuance of Equity Interests or Indebtedness, the consummation of Permitted Acquisitions, and the consummation of other Investments permitted pursuant to Section 7.03 (in each case whether consummated before or after the Closing Date), whether or not such transaction is actually consummated; (ix) the amount of net cost savings and synergies related to any Permitted Acquisition or other Investment permitted pursuant to Section 7.03, but only to the extent that such net cost savings and synergies are reasonably identifiable, factually supportable and projected by the Borrower in good faith to result from actions that have been taken (or, if not yet taken, with respect to actions for which substantial steps have been taken) within twelve (12) months after the consummation of such Permitted Acquisition or such Investment (with the amount of any such net cost savings and synergies to be added to Consolidated EBITDA as so projected until fully realized and calculated on a Pro Forma Basis as though such net cost savings and synergies had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions; provided, that, the aggregate amount added back pursuant to this clause (b)(ix) for any period, when taken together with the aggregate amount added back pursuant to clause (b)(vii) above for such period, shall not exceed an amount equal to twenty percent (20%) of Consolidated EBITDA (calculated without giving effect to the add backs permitted pursuant to this clause (b)(ix) or clause (b)(vii) above) for such period; and (x) ~~fees, costs and expenses incurred on or prior to July 31, 2022 in connection with the Webasto Litigation; provided, that, the aggregate amount added back pursuant to this clause (b)(x) shall not exceed (A) \$19,300,000, for the Measurement Period ending January 29, 2022, (B) \$10,000,000, for the Measurement Period ending April 30, 2022, and (C) \$10,000,000, for the Measurement Period ending July 31, 2022~~[reserved]; minus (c) the following, without duplication, to the extent included in calculating such Consolidated Net Income: (i) non-cash income or gains for such period; and (ii) federal, state, local and foreign income tax credits received in such period.

“Consolidated Fixed Charge Coverage Ratio” means, as of any date of determination, the ratio of (a) the total of (i) Consolidated EBITDA for the Measurement Period most recently completed on or prior to such date, minus (ii) Consolidated Maintenance Capital Expenditures for such period, to (b) the sum of (i) Consolidated Interest Charges for the Measurement Period most recently completed on or prior to such date to the extent paid in cash, plus (ii) Consolidated Scheduled Funded Debt Payments for such period, plus (iii) Consolidated Cash Taxes for such period, plus (iv) the aggregate amount of all Designated Restricted Payments made in such period; ~~provided, that, for purposes of calculating the Consolidated Fixed Charge Coverage Ratio: (A) Consolidated Interest Charges shall be calculated as if the Term A Loans had been made on February 1, 2021 (utilizing for any day prior to the Closing Date the interest rate which is in effect on the last day of the fiscal quarter of the Borrower ending April 30, 2021); (B) Consolidated Scheduled Funded Debt Payments shall be calculated as if a quarterly amortization payment on the Term A Facility in the principal amount of \$2,500,000 was due on April 30, 2021; (C)(1) Consolidated Interest Charges with respect to the Obligations for the period ended April 30, 2021 shall be the actual Consolidated Interest Charges with respect to the Obligations for the period of one (1) fiscal quarter then ended (subject to adjustment as provided in clauses (A) and (B) above) multiplied by four (4), and (2) Consolidated Scheduled Funded Debt Payments with respect to the Obligations for the period ended April 30, 2021 shall be the actual Consolidated Scheduled Funded Debt Payments with respect to the Obligations for the period of one (1) fiscal quarter then ended (subject to adjustment as provided in clause (B) above) multiplied by four (4); (D)(1) Consolidated Interest Charges with respect to the Obligations for the period ended July 31, 2021 shall be the actual Consolidated Interest Charges with respect to the Obligations for the period of two (2) fiscal quarters then ended (subject to adjustment as provided in clauses (A) and (B) above) multiplied by two (2), and (2) Consolidated Scheduled Funded Debt Payments with respect to the Obligations for the period ended July 31, 2021 shall be the actual Consolidated Scheduled Funded Debt Payments with respect to the Obligations for the period of two (2) fiscal quarters then ended (subject to adjustment as provided in clause (B) above) multiplied by two (2);~~

~~(E)(1) Consolidated Interest Charges with respect to the Obligations for the period ended October 31, 2021 shall be the actual Consolidated Interest Charges with respect to the Obligations for the period of three (3) fiscal quarters then ended (subject to adjustment as provided in clauses (A) and (B) above) multiplied by four-thirds (4/3), and (2) Consolidated Scheduled Funded Debt Payments with respect to the Obligations for the period ended October 31, 2021 shall be the actual Consolidated Scheduled Funded Debt Payments with respect to the Obligations for the period of three (3) fiscal quarters then ended (subject to adjustment as provided in clause (B) above) multiplied by four-thirds (4/3); and (F)(1) Consolidated Interest Charges with respect to the Obligations for the period ended January 31, 2022 shall be the actual Consolidated Interest Charges with respect to the Obligations for the period of four (4) fiscal quarters then ended (subject to adjustment as provided in clauses (A) and (B) above), and (2) Consolidated Scheduled Funded Debt Payments with respect to the Obligations for the period ended January 31, 2022 shall be the actual Consolidated Scheduled Funded Debt Payments with respect to the Obligations for the period of four (4) fiscal quarters then ended (subject to adjustment as provided in clause (B) above).~~

“Consolidated Funded Indebtedness” means, as of any date of determination, Funded Indebtedness of the Borrower and its Subsidiaries on a Consolidated basis as of such date: provided, that, it is understood and agreed that the following shall constitute Funded Indebtedness to be included as Consolidated Funded Indebtedness: (a) all obligations arising under or with respect to Letters of Credit; (b) all obligations arising under or with respect to Bilateral Letters of Credit; and (c) all Attributable Indebtedness in respect of any Securitization Transaction (including any Permitted Securitization Transaction).

“Consolidated Interest Charges” means, for any period, for the Borrower and its Subsidiaries on a Consolidated basis, the sum, without duplication, of (a) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case with respect to such period and to the extent treated as interest in accordance with GAAP, plus (b) all interest paid or payable with respect to discontinued operations for such period, plus (c) the portion of rent expense under Capitalized Leases for such period that is treated as interest in accordance with GAAP, plus (d) the “discount rate” (or similar concept evidencing the amount of the discount) applicable to the accounts receivable sold in such period pursuant to a Permitted Supply Chain Financing.

“Consolidated Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness as of such date, to (b) Consolidated EBITDA for the Measurement Period most recently completed on or prior to such date.

“Consolidated Maintenance Capital Expenditures” means, for any period, an amount equal to thirty-five percent (35%) of the amount of Consolidated Capital Expenditures for such period.

“Consolidated Net Income” means, for any period, the net income (or loss) of the Borrower and its Subsidiaries on a Consolidated basis for such period, as determined in accordance with GAAP; provided, that, Consolidated Net Income shall exclude (a) unusual and infrequent gains and unusual and infrequent losses for such period, (b) the net income of any Subsidiary during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its Organization Documents or any agreement, instrument or Law applicable to such Subsidiary during such period, except that the Borrower’s equity in any net loss of any such Subsidiary for such period shall be included in determining Consolidated Net Income, and (c) any income (or loss) for such period of any Person if such Person is not a Subsidiary, except that the Borrower’s equity in the net income of any such Person for such period shall be included in Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to

the Borrower or a Subsidiary as a dividend or other distribution (and in the case of a dividend or other distribution to a Subsidiary, such Subsidiary is not precluded from further distributing such amount to the Borrower as described in clause (b) of this proviso).

“Consolidated Scheduled Funded Debt Payments” means, for any period, for the Borrower and its Subsidiaries on a Consolidated basis, the sum of all scheduled payments of principal on Consolidated Funded Indebtedness during such period. For purposes of this definition, “scheduled payments of principal” (a) shall be determined without giving effect to any reduction of such scheduled payments resulting from the application of any voluntary or mandatory prepayments made during the applicable period, (b) shall be deemed to include scheduled payments on any Attributable Indebtedness, and (c) shall not include any voluntary prepayments or mandatory prepayments required pursuant to Section 2.05.

“Consolidated Senior Secured Funded Indebtedness” means, as of any date of determination, Funded Indebtedness (other than Funded Indebtedness that constitutes Junior Debt) of the Borrower and its Subsidiaries on a Consolidated basis as of such date; provided, that, it is understood and agreed that the following shall constitute Funded Indebtedness to be included as Consolidated Senior Secured Funded Indebtedness (whether or not such Funded Indebtedness constitutes Junior Debt): (a) all obligations arising under or with respect to Letters of Credit; (b) all obligations arising under or with respect to Bilateral Letters of Credit; and (c) all Attributable Indebtedness in respect of any Securitization Transaction (including any Permitted Securitization Transaction).

“Consolidated Senior Secured Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Senior Secured Funded Indebtedness as of such date, to (b) Consolidated EBITDA for the Measurement Period most recently completed on or prior to such date.

“Consolidated Total Assets” means, as of any date of determination, the total assets of the Borrower and its Subsidiaries, as determined on a Consolidated basis in accordance with GAAP.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Covered Entity” means any of the following: (a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning specified in Section 11.21.

“Credit Extension” means each of the following: (a) a Borrowing; and (b) an L/C Credit Extension.

“Daily Simple SOFR” means, with respect to any applicable determination date, SOFR published on such date on the Federal Reserve Bank of New York’s website (or any successor source).

~~“Debt Issuance” means the issuance by any Loan Party or any Subsidiary of any Indebtedness other than Indebtedness permitted pursuant to Section 7.02.~~

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

“Default” means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“Default Rate” means (a) with respect to any Obligation for which a rate is specified, a rate per annum equal to two percent (2%) in excess of the rate otherwise applicable thereto, and (b) with respect to any Obligation for which a rate is not specified or available, a rate per annum equal to the Base Rate plus the Applicable Rate for Revolving Loans that are Base Rate Loans plus two percent (2%), in each case, to the fullest extent permitted by applicable Law.

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender” means, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, any L/C Issuer, the Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swingline Loans) within two (2) Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent, any L/C Issuer or the Swingline Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided, that, such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity, or (iii) become the subject of a Bail-In Action; provided, that, a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be

delivered by the Administrative Agent to the Borrower, each L/C Issuer, the Swingline Lender and each other Lender promptly following such determination.

“Designated Jurisdiction” means any country, region or territory to the extent that such country, region or territory is the subject of any Sanction.

“Designated Restricted Payment” means any Restricted Payment made by the Borrower or any of its Subsidiaries in reliance on Section 7.06(a) (to the extent made to any Person other than the Borrower or any Subsidiary), Section 7.06(d) or Section 7.06(e).

“Disposition” or “Dispose” means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any property (including the Equity Interests in any Subsidiary) owned by any Loan Party or any Subsidiary (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Disqualified Capital Stock” means any Equity Interest which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, prior to the ninety-first (91st) day after the then-Latest Maturity Date, (b) requires the payment of any cash dividends, (c) is convertible into or exchangeable for (i) debt securities, or (ii) any Equity Interests referred to in clause (a) or (b) above, in each case at any time prior to the ninety-first (91st) day after the then-Latest Maturity Date, or (d) contains any repurchase obligation which may come into effect prior to the Facility Termination Date; provided, that, any Equity Interests that would not constitute Disqualified Capital Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such Equity Interests are convertible, exchangeable or exercisable) the right to require the issuer thereof to redeem or repurchase such Equity Interests upon the occurrence of a change in control or an asset sale occurring prior to the ninety-first (91st) day after the then-Latest Maturity Date shall not constitute Disqualified Capital Stock if such Equity Interests provide that the issuer thereof may not redeem or repurchase any such Equity Interests pursuant to such provisions prior to the Facility Termination Date.

“Dollar” and “\$” mean lawful money of the United States.

“Domestic Subsidiary” means any Subsidiary that is organized under the laws of the United States, any state thereof, or the District of Columbia.

“Earn Out Obligations” means, with respect to an Acquisition, all obligations of the Borrower or any Subsidiary to make earn out or other contingency payments (including purchase price adjustments, non-competition and consulting agreements, or other indemnity obligations) pursuant to the documentation relating to such Acquisition. For purposes of determining the amount of any Earn Out Obligations to be included in the definition of Consolidated Funded Indebtedness and the definition of Consolidated Senior Secured Funded Indebtedness, the amount of Earn Out Obligations shall be deemed to be the aggregate liability in respect thereof, as determined in accordance with GAAP.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a Subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Electronic Copy” has the meaning specified in Section 11.18.

“Electronic Record” has the meaning assigned to that term in 15 U.S.C. § 7006.

“Electronic Signature” has the meaning assigned to that term in 15 U.S.C. § 7006.

“Eligible Assets” means property (other than current assets as classified by GAAP) that is used or useful in the same or a related line of business as the Borrower and its Subsidiaries were engaged in on the ~~Closing~~Third Amendment Effective Date (or any business reasonably related, incidental or ancillary thereto or reasonable extensions thereof).

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 11.06 (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

“Environment” means ambient air, indoor air, surface water, groundwater, drinking water, soil, surface and subsurface strata, and natural resources such as wetland, flora and fauna.

“Environmental Laws” means any and all federal, state, local, and foreign statutes, laws (including common law), regulations, standards, ordinances, rules, judgments, interpretations, orders, decrees, permits, agreements or governmental restrictions relating to pollution or the protection of the Environment or human health (to the extent related to exposure to hazardous materials), including those relating to the manufacture, generation, handling, transport, storage, treatment, Release or threat of Release of Hazardous Materials, air emissions and discharges to waste or public systems.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities) whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, directly or indirectly relating to (a) any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) Release or threatened Release of any Hazardous Materials, or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Environmental Permit” means any permit, certification, registration, approval, identification number, license or other authorization required under any Environmental Law.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of

determination; provided, that, Permitted Convertible Indebtedness and Permitted Call Spread Transactions shall not constitute Equity Interests.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or Section 414(c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan, (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA, (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent, (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA, (e) the institution by the PBGC of proceedings to terminate a Pension Plan, (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA, (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any ERISA Affiliate, or (i) a failure by the Borrower or any ERISA Affiliate to meet all applicable requirements under the Pension Funding Rules in respect of a Pension Plan, whether or not waived, or the failure by the Borrower or any ERISA Affiliate to make any required contribution to a Multiemployer Plan.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Event of Default” has the meaning specified in Section 8.01.

“Excluded Account” means (a) any zero balance account, (b) any withholding tax, trust, escrow, payroll and other fiduciary account, (c) any employee benefit account, (d) any account not located in the United States (or any political subdivision thereof), and (e) any petty cash account (provided, that, the aggregate amount on deposit in all petty cash accounts excluded pursuant to this clause (e), shall not exceed \$20,000,000).

“Excluded Property” means, with respect to any Loan Party: (a)(i) any owned real property of such Loan Party, and (ii) any leased real property of such Loan Party; (b) any personal property (including motor vehicles, airplanes and other assets subject to certificates of title) of such Loan Party in respect of which perfection of a Lien is not either (i) governed by the UCC, or (ii) effected by appropriate evidence of the Lien being filed in either the United States Copyright Office or the United States Patent and Trademark Office; (c) the Equity Interests of any Foreign Subsidiary owned by such Loan Party to the extent not required to be pledged to secure the Secured Obligations pursuant to Section 6.13(a); (d) any property of such Loan Party which, subject to the terms of Section 7.09, is subject to a Lien of the type described in Section 7.01(c) pursuant to documents that prohibit such Loan Party from granting any other Liens in such property; (e) any general intangible, permit, lease, license, contract or other instrument of such Loan Party to the extent the grant of a security interest in such general intangible, permit, lease, license, contract or other instrument in the manner contemplated by the Collateral Documents, under the terms thereof or under applicable Law, is prohibited and would result in the

termination thereof or give the other parties thereto the right to terminate, accelerate or otherwise alter such Loan Party's rights, titles and interests thereunder (including upon the giving of notice or the lapse of time or both); provided, that, (i) any such limitation described in the foregoing clause (e) on the security interests granted pursuant to the Collateral Documents shall only apply to the extent that any such prohibition is not rendered ineffective pursuant to the UCC or other applicable Law (including Debtor Relief Laws) or principles of equity, and (ii) in the event of the termination or elimination of any such prohibition or the requirement for any consent contained in any applicable Law, general intangible, permit, lease, license, contract or other instrument, to the extent sufficient to permit any such item to become Collateral, or upon the granting of any such consent, or waiving or terminating any requirement for such consent, or the elimination of such limitation, as applicable, a security interest in such general intangible, permit, lease, license, contract or other instrument shall be automatically and simultaneously granted under the Collateral Documents and shall be included as Collateral; (f) any asset of such Loan Party if the pledge of, or the granting of a security interest in, such asset is prohibited by any Law applicable to such Loan Party; provided, that, (i) any such prohibition described in this clause (f) on the security interests granted pursuant to the Collateral Documents shall only apply to the extent that any such prohibition would not be rendered ineffective pursuant to the UCC or any other applicable Law (including Debtor Relief Laws) or principles of equity, and (ii) in the event of the termination or elimination of any such prohibition contained in any applicable Law, a security interest in such asset shall be automatically and simultaneously granted under the Collateral Documents and shall be included as Collateral; (g) any "intent-to-use" application for registration of a Trademark (as defined in the Security Agreement) of such Loan Party filed in the United States Patent and Trademark Office pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. §1051, prior to the filing of a "Statement of Use" pursuant to Section 1(d) of the Lanham Act or an "Amendment to Allege Use" pursuant to Section 1(c) of the Lanham Act with respect thereto, solely to the extent, if any, that, and solely during the period, if any, in which the grant of a security interest therein would impair the validity or enforceability of any registration that issues from such intent-to-use application under applicable federal law; ~~and~~ (h) at any time any Permitted Securitization Transaction is outstanding, any Securitization Related Property of such Loan Party that is subject to such Permitted Securitization Transaction; (i) the Equity Interests of any SPE owned by such Loan Party, solely to the extent that (A) the Securitization Documents for the Permitted Securitization Transaction for which such SPE was created prohibit the granting of a security interest in such Equity Interests in the manner contemplated by the Collateral Documents, or (B) the granting of a security interest in such Equity Interests in the manner contemplated by the Collateral Documents would result in a breach of, a default under, or the termination of, the Securitization Documents for the Permitted Securitization Transaction for which such SPE was created; provided, that, in the event of the termination or elimination of any such prohibition (or termination or elimination of any such provision in the applicable Securitization Documents giving rise to such breach, default or termination right as described in clause (i) (B) above), a security interest in such Equity Interests shall be automatically and simultaneously granted under the Collateral Documents and such Equity Interests shall be included as Collateral, in each case to the extent the Equity Interests of such SPE would otherwise be required to be provided as Collateral pursuant to the Collateral Documents at such time; and (j) any asset of such Loan Party as to which the Administrative Agent and the Borrower agree in writing that the cost or other consequences of obtaining a security interest therein or perfection thereof are excessive in view of the benefits to be obtained by the Secured Parties therefrom.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Guarantor of, or the grant by such Guarantor of a Lien to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to Section 10.11 and any other "keepwell, support or other agreement" for

the benefit of such Guarantor and any and all guarantees of such Guarantor's Swap Obligations by other Loan Parties) at the time the Guaranty of such Guarantor, or grant by such Guarantor of a Lien, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Contracts for which such Guaranty or Lien is or becomes excluded in accordance with the first sentence of this definition.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof), or (ii) that are Other Connection Taxes; (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 11.13), or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Sections 3.01(b) or (d), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office; (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(f); and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

"Existing JPMorgan Letter of Credit" means each Existing Letter of Credit issued by JPMorgan.

"Existing Letter of Credit" means each letter of credit outstanding under this Agreement on the Third Amendment Effective Date, including those set forth on Schedule 1.01(c).

"Facility" means ~~a~~ an Incremental Term Facility or the Revolving Facility, as the context may require.

"Facility Termination Date" means the date as of which all of the following shall have occurred: (a) the Aggregate Commitments have terminated; (b) all Obligations have been paid in full in cash (other than contingent indemnification obligations for which no claim has been asserted); and (c) all Letters of Credit have terminated or expired (other than Letters of Credit as to which other arrangements with respect thereto satisfactory to the Administrative Agent and the applicable L/C Issuers shall have been made).

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof ~~and~~, any agreements entered into pursuant to Section 1471(b)(1) of the Code as of the Closing Date (or any amended or successor version described above), and any intergovernmental agreement (and related fiscal or regulatory legislation, or related official rules or practices) implementing the foregoing.

"Federal Funds Rate" means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day's federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website

from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided, that, if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Fee Letter” means the fee letter agreement, dated January 11, 2021, among the Borrower, Bank of America and BofA Securities.

“Foreign Lender” means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Subsidiary” means any Subsidiary that is not a Domestic Subsidiary.

“FRB” means the Board of Governors of the Federal Reserve System of the United States.

“Fronting Exposure” means, at any time there is a Defaulting Lender that is a Revolving Lender, (a) with respect to each L/C Issuer, such Defaulting Lender’s Applicable Revolving Percentage of the outstanding L/C Obligations other than L/C Obligations, as to which such Defaulting Lender’s participation obligation has been reallocated to other Revolving Lenders or Cash Collateralized in accordance with the terms hereof, and (b) with respect to the Swingline Lender, such Defaulting Lender’s Applicable Revolving Percentage of Swingline Loans, other than Swingline Loans as to which such Defaulting Lender’s participation obligation has been reallocated to other Revolving Lenders or Cash Collateralized in accordance with the terms hereof.

“Fund” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“Funded Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP: (a) all obligations of such Person, whether current or long-term, for borrowed money (including the Obligations) and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments; (b) all purchase money Indebtedness of such Person; (c) the principal portion of all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person or any Subsidiary thereof (other than customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business); (d) all obligations of such Person arising under, without duplication, (i) letters of credit (including standby and commercial, and including the Letters of Credit), bankers’ acceptances, bank guaranties, surety bonds and similar instruments, and (ii) the Bilateral Letters of Credit; (e) all obligations of such Person in respect of the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and not past due for more than ninety (90) days after the date on which such trade account payable was created), including any Earn Out Obligations; (f) all Attributable Indebtedness of such Person; (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interests in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; (h) all Funded Indebtedness of other Persons secured by (or for which the holder of such Funded Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on, or payable out of the proceeds of production from, property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed; (i) all Guarantees provided by such

Person with respect to Funded Indebtedness of another Person; and (j) all Funded Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or joint venturer, except to the extent that such Funded Indebtedness is expressly made non-recourse to such Person. For purposes hereof: ~~(x)~~ the amount of any direct obligation arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments shall be the maximum amount available to be drawn thereunder; (and, with respect to the Letters of Credit, subject to Section 1.06); and (y) the amount of any direct obligation arising under Bilateral Letters of Credit shall be the maximum amount available to be drawn thereunder as of such date; provided, that, for purposes of this clause (y), with respect to any Bilateral Letter of Credit that, by its terms or the terms of any documentation related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of any direct obligation arising under such Bilateral Letter of Credit shall be deemed to be the maximum stated amount of such Bilateral Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

“Funding Indemnity Letter” means a funding indemnity letter, in form and substance satisfactory to the Administrative Agent.

“GAAP” means generally accepted accounting principles in the United States set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession), including the FASB ASC, that are applicable to the circumstances as of the date of determination, consistently applied and subject to Section 1.03.

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Guarantee” means, as to any Person (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed or expressly undertaken by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith; provided, that, with respect to any Guarantee of the type described in clause (b), above, to the extent the Indebtedness or other obligation secured thereby has not been assumed

by the guarantor or is nonrecourse to the guarantor, the amount of such Guarantee shall be deemed to be an amount equal to the lesser of (i) the fair market value of the assets subject to such Lien, and (ii) the Indebtedness or other obligation secured thereby. The term “Guarantee” as a verb has a corresponding meaning.

“Guaranteed Obligations” has the meaning specified in Section 10.01.

“Guarantor” means each of (a) each Person identified under the heading “Guarantors” on the signature pages hereto, (b) each Domestic Subsidiary of the Borrower that is or may from time to time become a Guarantor pursuant to Section 6.12, and (c) with respect to (i) Additional Secured Obligations owing by any Loan Party or any Subsidiary, and (ii) any Swap Obligation of a Specified Loan Party (determined before giving effect to Sections 10.01 and 10.11) under the Guaranty, the Borrower: provided, that, no SPE shall be required to become a Guarantor.

“Guaranty” means, collectively, the Guarantee made by the Guarantors under Article X in favor of the Secured Parties, together with each other guaranty delivered pursuant to Section 6.12.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, natural gas, natural gas liquids, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, toxic mold, infectious or medical wastes and all other substances, wastes, chemicals, pollutants, contaminants or compounds of any nature in any form regulated pursuant to any Environmental Law.

“Hedge Bank” means any Person, in its capacity as a party to a Swap Contract, that, (a) at the time it enters into a Swap Contract not prohibited by this Agreement with a Loan Party or a Subsidiary, is a Lender, or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Swap Contract not prohibited by this Agreement with a Loan Party or a Subsidiary, in each case, even if such Person ceases to be a Lender or such Person’s Affiliate ~~ceased~~ceases to be a Lender; provided, that, in the case of a Secured Hedge Agreement with a Person who is no longer a Lender (or an Affiliate of a Lender), such Person shall be considered a Hedge Bank only through the stated termination date (without extension or renewal) of such Secured Hedge Agreement; provided, further, that, for any ~~of the foregoing~~Swap Contract to be included as a “Secured Hedge Agreement” on any date of determination by the Administrative Agent, the applicable Hedge Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

“HMT” has the meaning specified in the definition of “Sanction(s)”.

“Immaterial Subsidiary” means AeroVironment, Inc., an entity organized under the laws of Afghanistan; provided, that, such entity shall cease to be an Immaterial Subsidiary if, as of any date of determination, for the Measurement Period most recently ended on or prior to such date for which financial statements have been (or were required to be) delivered pursuant Section 6.01(a) or Section 6.01(b), such entity has revenues in excess of one percent (1%) of the Consolidated revenues of the Borrower and its Subsidiaries for such Measurement Period (it being understood and agreed that from and after the initial date on which such entity no longer constitutes an Immaterial Subsidiary (such initial date, the “Redesignation Date”), such entity shall not constitute an Immaterial Subsidiary for purposes of this Agreement (even if the revenues of such entity for any Measurement Period ending subsequent to the ~~Resignation~~Redesignation Date do not exceed one percent (1%) of the Consolidated revenues of the Borrower and its Subsidiaries for such Measurement Period)).

“Incremental Amount” means, as of any date of determination, an amount equal to the sum of (a) the total of (i) ~~\$100,000,000~~200,000,000, minus (ii) the aggregate original principal amount of all

Incremental Facilities incurred in reliance on clause (a)(i) prior to such date, plus (b) an unlimited amount, so long as, after giving effect to the incurrence of any Incremental Facility on a Pro Forma Basis (and assuming for such purpose that such Incremental Facility is fully drawn), the Consolidated Leverage Ratio shall not exceed 2.00 to 1.0 (this clause (b), the “Leverage-Based Prong”) (it being understood and agreed that for purposes of determining the Incremental Amount on any date in connection with the incurrence of any Incremental Facility, to the extent one or more Incremental Facilities is being incurred on such date in reliance on both clause (a) above and the Leverage-Based Prong, any portion of such Incremental Facilities incurred on such date in reliance on clause (a) above shall be disregarded for purpose of determining the amount of such Incremental Facilities that may be incurred on such date in reliance on the Leverage-Based Prong).

“Incremental Facility” has the meaning specified in Section 2.02(g).

“Incremental Term Borrowing” means, with respect to any Incremental Term Facility, a borrowing under such Incremental Term Facility consisting of simultaneous Incremental Term Loans of the same Type and, in the case of Term SOFR Loans, having the same Interest Period made by Incremental Term Lenders under such Incremental Term Facility pursuant to Section 2.01(c).

“Incremental Term Commitment” means, with respect to any Incremental Term Facility, as to each Incremental Term Lender under such Incremental Term Facility, its obligation to make an Incremental Term Loan under such Incremental Term Facility.

“Incremental Term Facility” has the meaning specified in Section 2.02(g).

“Incremental Term Facility Agreement” has the meaning specified in Section 2.02(g)(ii)(D).

“Incremental Term Facility Maturity Date” means, with respect to any Incremental Term Facility, the maturity date of such Incremental Term Facility set forth in the Incremental Term Facility Agreement executed and delivered pursuant to Section 2.02(g)(ii) in connection with such Incremental Term Facility.

“Incremental Term Lender” means, with respect to any Incremental Term Facility, (a) at any time on or prior to the funding of the Incremental Term Loans under such Incremental Term Facility, any Person that has an Incremental Term Commitment under such Incremental Term Facility at such time, and (b) at any time thereafter, any Person that holds an Incremental Term Loan under such Incremental Term Facility at such time.

“Incremental Term Loan” means, with respect to any Incremental Term Facility, an advance made by an Incremental Term Lender under such Incremental Term Facility.

“Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP: (a) all Funded Indebtedness of such Person; (b) the Swap Termination Value of any Swap Contract entered into by Person; (c) all Guarantees provided by such Person with respect to Indebtedness of any other Person; and (d) all Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person or a Subsidiary thereof is a general partner or joint venturer, unless such Indebtedness is expressly made non-recourse to such Person or such Subsidiary.

“Indemnified Taxes” means all (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document, and (b) to the extent not otherwise described in clause (a) above, Other Taxes.

“Indemnitee” has the meaning specified in Section 11.04(b).

“Information” has the meaning specified in Section 11.07.

“Intellectual Property” means all intellectual property rights, whether registered or unregistered, including all registered trademarks and service marks, trademark applications, trade names, copyright registrations, copyright applications, patents, patent applications, and intellectual property licenses.

“Intercompany Debt” has the meaning specified in Section 7.02(g).

“Interest Payment Date” means, (a) as to any Term SOFR Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date of the Facility under which such Loan was made; provided, that, if any Interest Period for a Term SOFR Loan exceeds three (3) months, the respective dates that fall every three (3) months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan or any Swingline Loan, the last Business Day of each March, June, September and December and the Maturity Date of the Facility under which such Loan was made (with Swingline Loans being deemed made under the Revolving Facility for purposes of this definition).

“Interest Period” means, as to each Term SOFR Loan, the period commencing on the date such Term SOFR Loan is disbursed or converted to or continued as a Term SOFR Loan and ending on the date one (1), three (3) or six (6) months thereafter (in each case, subject to availability), as selected by the Borrower in its Loan Notice; provided, that: (a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Term SOFR Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day; (b) any Interest Period pertaining to a Term SOFR Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and (c) no Interest Period shall extend beyond the Maturity Date of the Facility under which such Loan was made.

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person (including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor guaranties Indebtedness of such other Person), or (c) an Acquisition. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment, but, in each case, net of any return in respect thereof, including dividends, interest, distributions, returns of principal, profits on sale, repayments, income and similar amounts.

“Involuntary Disposition” means any loss of, damage to or destruction of, or any condemnation or other taking for public use of, any property of any Loan Party or any Subsidiary.

“IRS” means the United States Internal Revenue Service.

“ISP” means the International Standby Practices, International Chamber of Commerce Publication No. 590 (or such later version thereof as may be in effect at the applicable time).

“Issuer Documents” means with respect to any Letter of Credit, the Letter of Credit Application and any other document, agreement and instrument entered into by an L/C Issuer and the Borrower (or any Subsidiary) or in favor of such L/C Issuer and relating to such Letter of Credit.

“Joinder Agreement” means a joinder agreement substantially in the form of Exhibit C executed and delivered in accordance with the provisions of Section 6.12.

“JPMorgan” means JPMorgan Chase Bank, N.A.

“Junior Debt” means any Indebtedness that is (a) subordinated in right of payment to the Secured Obligations, (b) secured by a Lien on the Collateral junior to the Liens created under the Collateral Documents, or (c) unsecured.

“Junior Debt Payment” means any voluntary or optional payment or prepayment of principal of, or any redemption, purchase, retirement, extinguishment, defeasance, discharge or other satisfaction prior to the scheduled maturity of (including any optional redemption, refinancing, conversion, required repurchase, exchange, open market purchase, or privately negotiated purchase), any Junior Debt.

“Latest Maturity Date” means, as of any date of determination, the latest Maturity Date in effect as of such date.

“Law” means any international, foreign, federal, state and local statute, treaty, rule, guideline, regulation, ordinance, code or administrative or judicial precedent or authority, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and any applicable administrative order, directed duty, request, license, authorization or permit of, or agreement with, any Governmental Authority, in each case whether or not having the force of law.

“L/C Commitment” means, with respect to each L/C Issuer, the commitment of such L/C Issuer to issue Letters of Credit hereunder. The ~~initial~~ amount of each L/C Issuer’s L/C Commitment on the Third Amendment Effective Date is set forth on Schedule 1.01(b) or, with respect to any L/C Issuer that becomes an L/C Issuer after the ~~Closing~~ Third Amendment Effective Date, as set forth for such L/C Issuer as its L/C Commitment in the Register. The L/C Commitment of any L/C Issuer may be modified from time to time by agreement between such L/C Issuer and the Borrower and notified to the Administrative Agent.

“L/C Credit Extension” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“L/C Disbursement” means any payment made by any L/C Issuer pursuant to a Letter of Credit.

“L/C Issuer” means (a) Bank of America, in its capacity as issuer of Letters of Credit hereunder, (b) any other Lender selected by the Borrower pursuant to Section 2.03(s) from time to time to issue Letters of Credit hereunder (provided, that, no Lender shall be required to become an L/C Issuer pursuant to this clause (b) without such Lender’s consent), and (c) solely with respect to the Existing JPMorgan Letters of Credit, JPMorgan.

“L/C Obligations” means, as at any date of determination, (a) the aggregate amount available to be drawn under all outstanding Letters of Credit as of such date, plus (b) the aggregate of all Unreimbursed Amounts as of such date. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with

Section 1.06. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“LCA Test Date” has the meaning specified in Section 1.03(e).

“Lender” means each of the Persons identified as a “Lender” on the signature pages ~~hereto~~ to the Third Amendment, each other Person that becomes a “Lender” in accordance with this Agreement, and their successors and assigns and, unless the context requires otherwise, includes the Swingline Lender.

“Lender Party” means each of each Lender, the Swingline Lender, and each L/C Issuer.

“Lending Office” means, as to the Administrative Agent, any L/C Issuer or any Lender, the office or offices of such Person described as such in such Person’s Administrative Questionnaire, or such other office or offices as such Person may from time to time notify the Borrower and the Administrative Agent; which office may include any Affiliate of such Person or any domestic or foreign branch of such Person or such Affiliate.

“Letter of Credit” means any letter of credit issued hereunder and shall include the Existing Letters of Credit. A Letter of Credit may be a commercial letter of credit or a standby letter of credit.

“Letter of Credit Application” means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the applicable L/C Issuer.

“Letter of Credit Expiration Date” means the day that is seven (7) days prior to the Revolving Facility Maturity Date (or, if such day is not a Business Day, the next preceding Business Day).

“Letter of Credit Fee” has the meaning specified in Section 2.03(l).

“Letter of Credit Sublimit” means, as of any date of determination, an amount equal to the lesser of (a) \$25,000,000, and (b) the amount of the Revolving Facility as of such date. The Letter of Credit Sublimit is part of, and not in addition to, the Revolving Facility.

“Leverage-Based Prong” has the meaning specified in the definition of “Incremental Amount”.

“Leverage Increase Period” ~~has the meaning specified in Section 7.11(a)~~ means each of the four (4) fiscal quarters of the Borrower immediately following the consummation of any Qualified Acquisition (including, for the avoidance of doubt, the fiscal quarter in which such Qualified Acquisition was consummated); provided, that, (a) no more than one (1) Leverage Increase Period shall be in effect at any time, and (b) for at least two (2) fiscal quarters of the Borrower immediately following each Leverage Increase Period, (i) the Consolidated Senior Secured Leverage Ratio as of the end of such fiscal quarters shall not be greater than 3.00 to 1.0 prior to giving effect to another Leverage Increase Period, and (ii) each applicable required Consolidated Leverage Ratio incurrence test level shall not be greater than 4.00 to 1.0 prior to giving effect to another Leverage Increase Period.

“Leverage Ratio Target” means: (a) with respect to the Consolidated Senior Secured Leverage Ratio, 3.00 to 1.0; provided, that, during a Leverage Increase Period, such target shall be 3.50 to 1.0; and (b) with respect to the Consolidated Leverage Ratio, 4.00 to 1.0; provided, that, during a Leverage Increase Period, such target shall be 4.50 to 1.0.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property and any financing lease having substantially the same economic effect as any of the foregoing).

“Limited Condition Acquisition” means a Permitted Acquisition whose consummation is not conditioned on the availability of, or on obtaining, third party financing.

“Limited Condition Acquisition Agreement” means, with respect to any Limited Condition Acquisition, the definitive documentation for such Limited Condition Acquisition.

~~“Limited Conditionality Provision” has the meaning specified in Section 4.01.~~

“Loan” means an extension of credit by a Lender to the Borrower under Article II in the form of an Incremental Term Loan, a Revolving Loan or a Swingline Loan.

“Loan Document” means each of this Agreement, each Note, the Guaranty, each Collateral Document, the Fee Letter, each Issuer Document, each other agreement, instrument or document designated by its terms as a “Loan Document,” and each agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.14 (but specifically excluding any Secured Hedge Agreement ~~or~~, any Secured Cash Management Agreement, and any Secured Bilateral Letter of Credit).

“Loan Notice” means a notice of (a) a Borrowing, (b) a conversion of Loans from one Type to the other pursuant to Section 2.02(a), or (c) a continuation of Term SOFR Loans pursuant to Section 2.02(a), which shall be substantially in the form of Exhibit D or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

“Loan Party” means each of the Borrower and each Guarantor.

“Master Agreement” has the meaning specified in the definition of “Swap Contract.”

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), or condition (financial or otherwise) of the Borrower and its Subsidiaries, taken as a whole, or (b) a material adverse effect on (i) the ability of the Loan Parties, taken as a whole, to perform their obligations under the Loan Documents, (ii) the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document to which it is a party, or (iii) the rights, remedies and benefits available to, or conferred upon, the Administrative Agent or any Lender under any Loan Documents.

“Maturity Date” ~~the Term A Facility Maturity Date,~~ means the Revolving Facility Maturity Date, ~~or~~ the applicable Incremental Term Facility Maturity Date, as the context may require.

“Maximum Rate” has the meaning specified in Section 11.09.

“Measurement Period” means, at any date of determination, the four (4) fiscal quarters of the Borrower most recently completed on or prior to such date of determination.

“Minimum Collateral Amount” means, at any time, (a) with respect to Cash Collateral consisting of cash or deposit account balances provided to reduce or eliminate Fronting Exposure during any period when a Lender constitutes a Defaulting Lender, an amount equal to one hundred three percent (103%) of the Fronting Exposure of each applicable L/C Issuer with respect to Letters of Credit issued and outstanding at such time, and (b) with respect to Cash Collateral consisting of cash or deposit account balances provided in accordance with any provision of this Agreement (other than for the purposes described in clause (a) above), an amount equal to one hundred three percent (103%) of the Outstanding Amount of all L/C Obligations, plus any accrued and unpaid interest thereon.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Multiemployer Plan” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

“Multiple Employer Plan” means a Plan which has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

“Net Cash Proceeds” means the aggregate cash or Cash Equivalents proceeds received by any Loan Party or any Subsidiary in connection with any ~~Disposition, Debt Issuance or Involuntary~~ Disposition, net of (a) direct costs incurred in connection therewith (including legal, accounting and investment banking fees and sales commissions), (b) taxes paid or payable as a result thereof, and (c) ~~in the case of any Disposition or any Involuntary Disposition,~~ the amount necessary to retire any Indebtedness secured by a Permitted Lien (ranking senior to any Lien created pursuant to the Collateral Documents) on the related property; it being understood that “Net Cash Proceeds” shall include any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received by any Loan Party or any Subsidiary in connection with any Disposition, ~~Debt Issuance or Involuntary Disposition.~~

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 11.01, and (b) has been approved by the Required Lenders.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-Extension Notice Date” has the meaning specified in Section 2.03(b)(ii).

“Non-Reimbursement Notice” has the meaning specified in Section 2.03.

“Non-Wholly Owned Subsidiary” means any Subsidiary that is not a Wholly Owned Subsidiary of the Borrower.

“Not Otherwise Applied” means, with reference to any proceeds of any transaction or event or of the Available Amount that is proposed to be applied to a particular use or transaction, that such amount has not previously been (and is not simultaneously being) applied to anything other than such particular use or transaction.

“Note” has the meaning specified in Section 2.11(a).

“Notice of Additional L/C Issuer” means a notice delivered pursuant to Section 2.03(s), in form and substance reasonably satisfactory to the Administrative Agent.

“Notice of Loan Prepayment” means a notice of prepayment with respect to a Loan, which shall be substantially in the form of Exhibit E or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

“NPL” means the National Priorities List under CERCLA.

“Obligations” means (a) all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit, and (b) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, expenses and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof pursuant to any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest, expenses and fees are allowed claims in such proceeding; provided, that, Obligations of a Guarantor shall exclude any Excluded Swap Obligations with respect to such Guarantor.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Organization Documents” means: (a) with respect to any corporation, the charter or certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement or limited liability company agreement (or equivalent or comparable documents with respect to any non-U.S. jurisdiction); (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction); (d) with respect to all entities, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction); and (e) with respect to all entities, any agreement among the holders of the Equity Interests of such entity concerning the organization, operation, governance or management of such entity or the rights and obligations of such holders.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

“Outstanding Amount” means (a) with respect to Incremental Term Loans, Revolving Loans and Swingline Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Incremental Term Loans, Revolving Loans and Swingline Loans, as the case may be, occurring on such date; and (b) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrower of Unreimbursed Amounts.

“Participant” has the meaning specified in Section 11.06(d).

“Participant Register” has the meaning specified in Section 11.06(d).

“PATRIOT Act” has the meaning specified in Section 11.19.

“PBGC” means the Pension Benefit Guaranty Corporation.

“Pension Funding Rules” means the rules of the Code and ERISA regarding minimum funding standards with respect to Pension Plans and set forth in Sections 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

“Pension Plan” means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate or with respect to which the Borrower or any ERISA Affiliate has any liability and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

“Permitted Acquisition” means an Acquisition by any Loan Party; provided, that, (a) no Default shall have occurred and be continuing or would result from such Acquisition; (b) the property acquired (or the property of the Person acquired) shall constitute Eligible Assets (without giving effect to the exclusion of current assets in the definition thereof); (c) the Person acquired in connection with such Acquisition will become a Loan Party and/or the assets acquired shall be subject to Liens in favor of the Administrative Agent, in each case in accordance with, and to the extent required by, Section 6.12 and Section 6.13; (d) such Acquisition shall not be a “hostile” acquisition and shall have been approved by the board of directors and/or the shareholders (or equivalent) of the applicable Loan Party and the Person acquired in connection with such Acquisition; (e) the Borrower shall have delivered to the Administrative Agent a Pro Forma Compliance Certificate demonstrating that, upon giving Pro Forma Effect to such Acquisition, (i) the Loan Parties would be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or Section 6.01(b), and (ii) the Consolidated Senior Secured Leverage Ratio is at least 0.25 less than the ratio required to be maintained at such time by Section 7.11(a), and (iii) the Consolidated Leverage Ratio shall not exceed the Leverage Ratio Target; and (f) prior to the consummation of any such Acquisition for which the Acquisition Consideration exceeds \$25,000,000, the Administrative Agent shall have received, if available, (i) to the extent such Acquisition is the Acquisition of a Person, quarterly and audited financial statements of such Person for its most recently ended fiscal year and any fiscal quarters ended within the fiscal year to date, and (ii) consolidated projected income statements of the Borrower and its Subsidiaries (on a Pro Forma Basis after giving effect to such Acquisition), in form and substance reasonably satisfactory to the Administrative Agent.

“Permitted Call Spread Transaction” means (a) any call or capped call option (or substantively equivalent derivative transaction) relating to the Common Stock (or other securities or property following a merger event, reclassification or other change of the Common Stock) purchased by the Borrower in

connection with the issuance of any Permitted Convertible Indebtedness and settled in Common Stock (or such other securities or property), cash or a combination thereof (such amount of cash determined by reference to the price of the Common Stock or such other securities or property), and cash in lieu of fractional shares of Common Stock, and (b) any call option, warrant or right to purchase (or substantively equivalent derivative transaction) relating to the Common Stock (or other securities or property following a merger event, reclassification or other change of the Common Stock) sold by the Borrower substantially concurrently with any purchase by the Borrower of a Permitted Call Spread Transaction described in clause (a) above and settled in Common Stock (or such other securities or property), cash or a combination thereof (such amount of cash determined by reference to the price of the Common Stock or such other securities or property), and cash in lieu of fractional shares of Common Stock; provided, that, the terms, conditions and covenants of each such transaction described in clause (a) or clause (b) shall be such as are customary for transactions of such type (as determined by the board of directors of the Borrower in good faith).

“Permitted Convertible Indebtedness” means Permitted Unsecured Debt that is convertible into shares of Common Stock (or other securities or property following a merger event, reclassification or other change of the Common Stock), cash or a combination thereof (such amount of cash determined by reference to the price of the Common Stock or such other securities or property), and cash in lieu of fractional shares of Common Stock.

“Permitted Liens” has the meaning specified in Section 7.01.

“Permitted Real Property Encumbrances” means (a) as to any particular real property at any time, such easements, encroachments, covenants, restrictions, rights of way, minor defects, irregularities or encumbrances on title which do not, in the reasonable opinion of the Administrative Agent, materially impair such real property for the purpose for which it is held by the applicable Loan Party, applicable Subsidiary, or owner, as the case may be, (b) municipal and zoning laws, regulations, codes and ordinances which are not violated in any material respect by the existing improvements and the present use made by the applicable Loan Party, the applicable Subsidiary, or owner, as the case may be, of such real property, (c) general real estate taxes and assessments not yet delinquent, and (d) leases and subleases of real property entered into in the ordinary course of business so long as such leases and subleases do not interfere in any material respect with the business of the Borrower and its Subsidiaries or materially impair the use (for its intended purpose) or value of the real property subject thereto.

“Permitted Refinancing” means, with respect to any Indebtedness of any Person, any modification, refinancing, refunding, renewal or extension of such Indebtedness; provided, that, (a) the principal amount (or accreted value, if applicable) thereof does not exceed the outstanding principal amount (or accreted value, if applicable) of the Indebtedness so modified, refinanced, refunded, renewed or extended on the date of such modification, refinancing, refund, renewal or extension, except by an amount equal to (i) unpaid accrued interest and premiums thereon (including tender premiums), plus reasonable fees and expenses (including upfront fees and original issue discount) incurred in connection with such modification, refinancing, refunding, renewal or extension, plus (ii) any existing commitments unutilized thereunder, (b) such modification, refinancing, refunding, renewal or extension has (i) a final maturity date equal to or later than the final maturity date of the Indebtedness being modified, refinanced, refunded, renewed or extended, and (ii) a Weighted Average Life to Maturity equal to or longer than the then-remaining Weighted Average Life to Maturity of the Indebtedness being modified, refinanced, refunded, renewed or extended, (c) immediately before and after giving effect thereto, (i) no Default shall have occurred and be continuing, and (ii) the Loan Parties shall be in compliance on a Pro Forma Basis with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or (b), and (iii) on a Pro Forma Basis, the Consolidated Leverage Ratio shall not exceed the Leverage

Ratio Target (and, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with ~~such condition~~the conditions specified in clauses (c)(ii) and (c)(iii)), (d) the direct and contingent obligors of such Indebtedness shall not be changed, as a result of or in connection with such modification, refinancing, refunding, renewal or extension, (e) if the Indebtedness being modified, refinanced, refunded, renewed or extended is subordinated in right of payment to the Secured Obligations, such modification, refinancing, refunding, renewal or extension shall be subordinated to the Secured Obligations on terms at least as favorable, taken as a whole, to the Secured Parties as those contained in the documentation governing the Indebtedness being so modified, refinanced, refunded, renewed or extended, (f) if the Indebtedness being modified, refinanced, refunded, renewed or extended is unsecured, such modification, refinancing, refunding, renewal or extension shall be unsecured, and (g) the terms (excluding pricing, fees, rate floors, discounts, premiums and optional prepayments or redemption terms) of such Indebtedness shall not be changed in any manner that is materially adverse, taken as a whole, to the Borrower or any Subsidiary, as applicable, as a result of or in connection with such modification, refinancing, refunding, renewal or extension, except for terms applicable only to periods after the then-Latest Maturity Date.

“Permitted Securitization Transaction” mean any Accounts Receivable Securitization Transaction permitted pursuant to Section 7.02(t).

“Permitted Supply Chain Financing” means any Supply Chain Financing that is permitted pursuant to Section 7.05(d).

“Permitted Transfer” means: (a) Dispositions of used, obsolete, damaged, worn-out or surplus equipment, or property no longer useful in the conduct of the business of the Borrower and its Subsidiaries or otherwise economically impracticable to maintain whether now owned or hereafter acquired, in the ordinary course of business; (b) ~~Disposition of~~Dispositions of inventory and other goods held for sale, in each case in the ordinary course of business; (c) Dispositions of property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property, or (ii) the proceeds of such Disposition are reasonably promptly applied to the purchase price of such replacement property; (d) Dispositions of property (including Equity Interests) to the Borrower or to a Subsidiary; provided, that, if the transferor of such property is a Loan Party, (i) the transferee thereof must be a Loan Party, or (ii) if such Disposition constitutes an Investment, it is permitted pursuant to Section 7.03 (without reference to this definition or to Section 7.05 (or, in each case, to any clause hereof or thereof)); (e) to the extent constituting Dispositions, fundamental changes permitted pursuant to Section 7.04 and Restricted Payments permitted pursuant to Section 7.06 (in each case, without reference to this definition or to Section 7.05 (or, in each case, to any clause hereof or thereof)); (f) non-exclusive licenses of Intellectual Property in the ordinary course of business; (g) the lapse or abandonment of any registration, or application for registration, of Intellectual Property, in each case in the ordinary course of business and which do not interfere in any material respect with the business of the Borrower and its Subsidiaries taken as a whole; (h) Dispositions of accounts receivable in connection with the collection or compromise thereof; (i) licenses, sublicenses, leases, and subleases of property (other than Intellectual Property), and the termination or non-renewal thereof, in each case in the ordinary course of business and which do not interfere in any material respect with the business of the Borrower and its Subsidiaries taken as a whole; (j) Dispositions of cash and Cash Equivalents in the ordinary course of business; (k) Involuntary Dispositions; (l) consignments of equipment or inventory in the ordinary course of business; (m) Dispositions in connection with the termination or unwinding of Swap Contracts (including in connection with any Permitted Call Spread Transaction); and (n) any Disposition of Equity Interests or Indebtedness of the Turkish Subsidiary by the Borrower to any other owner of the Equity Interests of the Turkish Subsidiary.

“Permitted Unsecured Debt” means unsecured Indebtedness of the Borrower or any Subsidiary; provided, that, (a) no Default shall have occurred and be continuing at the time of incurrence of such Indebtedness or would result therefrom, (b) such Indebtedness has a maturity date that is at least ninety-one (91) days after the Latest Maturity Date (and the terms of such Indebtedness shall not provide for any scheduled repayment, mandatory redemption or sinking fund obligations prior to the date that is ninety-one (91) days after the Latest Maturity Date (other than customary offers to repurchase upon a change of control, asset sale or casualty event and customary acceleration rights after an event of default)), (c) if such Indebtedness is subordinated in right of payment to the Secured Obligations, such Indebtedness shall be subordinated to the Secured Obligations on terms and conditions reasonably acceptable to the Administrative Agent, (d) none of the obligors or guarantors with respect to such Indebtedness shall be a Person that is not a Loan Party, (e) the terms and conditions of such Indebtedness (including financial covenants, affirmative covenants, negative covenants, representations and warranties and defaults) are customary for similar Indebtedness in light of then-prevailing market conditions and in any event, when taken as a whole (other than interest rate and redemption premiums), are no more restrictive to the Borrower and its Subsidiaries than the terms and conditions set forth in the Loan Documents, and (f) upon giving Pro Forma Effect to the incurrence of such Indebtedness (after giving effect to any Specified Transaction consummated in connection with the incurrence of such Indebtedness and assuming for such purposes that such Indebtedness is fully drawn), (i) the Loan Parties will be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or (b), and (ii) the Consolidated Leverage Ratio ~~will be at least 0.25 less than the ratio required to be maintained at such time by Section 7.11(a)~~shall not exceed the Leverage Ratio Target (and, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with the conditions set forth in this clause (f)).

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Borrower or any ERISA Affiliate or any such Plan to which the Borrower or any ERISA Affiliate is required to contribute on behalf of any of its employees.

“Platform” has the meaning specified in Section 6.02.

~~“Prism Acquisition” means the Acquisition identified by the Borrower to the Administrative Agent prior to the Closing Date as the “Prism Acquisition.”~~

“Pro Forma Basis”, “Pro Forma Compliance” and “Pro Forma Effect” means, in respect of a Specified Transaction, that such Specified Transaction and the following transactions in connection therewith (to the extent applicable) shall be deemed to have occurred on and as of the first day of the relevant Measurement Period: (a)(i) with respect to any Disposition, Involuntary Disposition or sale, transfer or other disposition that results in a Person ceasing to be a Subsidiary, income statement and cash flow statement items (whether positive or negative) attributable to the Person or property disposed of shall be excluded, and (ii) with respect to any Acquisition or other Investment that results in a Person becoming a Subsidiary, income statement and cash flow statement items (whether positive or negative) attributable to the Person or property acquired shall be included to the extent relating to any period applicable in such calculations to the extent (A) such items are not otherwise included in such income statement items for the Borrower and its Subsidiaries in accordance with GAAP or in accordance with any defined terms set forth in Section 1.01, and (B) such items are supported by financial statements or other information reasonably satisfactory to the Administrative Agent; (b) any retirement of Indebtedness (it being understood and agreed that in connection with any retirement of Indebtedness, interest accrued

during the relevant Measurement Period shall be excluded from the applicable calculations); and (c) any incurrence or assumption of Indebtedness by the Borrower or any of its Subsidiaries (and if such Indebtedness has a floating or formula rate, such Indebtedness shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate which is or would be in effect with respect to such Indebtedness as at the relevant date of determination); provided, that, (x) Pro Forma Basis, Pro Forma Compliance and Pro Forma Effect in respect of any Specified Transaction shall be calculated in a reasonable and factually supportable manner, and (y) any such calculation shall be subject to the applicable limitations set forth in the definition of Consolidated EBITDA.

“Pro Forma Compliance Certificate” means a certificate of a Responsible Officer of the Borrower containing reasonably detailed calculations of the financial covenants set forth in Section 7.11 and the Consolidated Leverage Ratio, if applicable, in each case as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or Section 6.01(b), as applicable, after giving Pro Forma Effect to the applicable Specified Transaction.

~~“Pro Forma Financial Statements” has the meaning specified in Section 4.01(d)(v).~~

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

“Public Lender” has the meaning specified in Section 6.02.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. § 5390(c)(8)(D).

“QFC Credit Support” has the meaning specified in Section 11.21.

“Qualified Acquisition” means a Permitted Acquisition (or series of related Permitted Acquisitions consummated in any six-month period) for which the aggregate Acquisition Consideration therefor is at least \$75,000,000, but only to the extent that at least \$75,000,000 of such Acquisition Consideration is funded with the proceeds of Consolidated Senior Secured Funded Indebtedness (including any Consolidated Senior Secured Funded Indebtedness assumed by the Borrower or any of its Subsidiaries in connection with such Permitted Acquisition(s)); provided, that, for any Permitted Acquisition (or series of related Permitted Acquisitions) to qualify as a “Qualified Acquisition,” the Administrative Agent shall have received a certificate from a Responsible Officer of the Borrower certifying that such Permitted Acquisition (or series of related Permitted Acquisitions) meets the criteria set forth in this definition and notifying the Administrative Agent that the Borrower has elected to treat such Permitted Acquisition (or series of related Permitted Acquisitions) as a “Qualified Acquisition”.

“Qualified Capital Stock” of any Person means any Equity Interests of such Person that are not Disqualified Capital Stock.

“Qualified ECP Guarantor” means, at any time, each Loan Party with total assets exceeding \$10,000,000 or that qualifies at such time as an “eligible contract participant” under the Commodity Exchange Act and can cause another Person to qualify as an “eligible contract participant” at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

“Qualifying Control Agreement” means an agreement, among a Loan Party, a depository institution or securities intermediary and the Administrative Agent, which agreement is in form and substance acceptable to the Administrative Agent and which provides the Administrative Agent with

“control” (as such term is used in Article 9 of the UCC) over the deposit account(s) or securities account(s) described therein.

“Receivables and Related Assets” means (a) accounts receivable (including all rights to payment created by or arising from the sales of goods, leases of goods or the rendition of services, no matter how evidenced (including in the form of chattel paper)), and (b) any interest in such accounts receivable and all collateral securing such accounts receivable, all contracts and contract rights, purchase orders, security interests, financing statements or other documentation in respect of such accounts receivable, any guarantees, indemnities, warranties or other obligations in respect of such accounts receivable, and any proceeds of any of the foregoing.

“Recipient” means the Administrative Agent, any Lender, any L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

“Redesignation Date” has the meaning specified in the definition of “Immaterial Subsidiary.”

“Register” has the meaning specified in Section 11.06(c).

“Regulation U” means Regulation U of the FRB, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors, consultants, service providers, and representatives of such Person and of such Person’s Affiliates.

“Release” means any release, spill, emission, discharge, deposit, disposal, leaking, pumping, pouring, dumping, emptying, injection or leaching into the Environment, or into, from or through any building, structure or facility.

“Removal Effective Date” has the meaning specified in Section 9.06.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty (30) day notice period has been waived.

“Request for Credit Extension” means (a) with respect to ~~a~~an Incremental Term Borrowing, a Revolving Borrowing, a conversion or continuation of Incremental Term Loans, or a conversion or continuation of Revolving Loans, a Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application, and (c) with respect to a Swingline Borrowing, a Swingline Loan Notice.

“Required Lenders” means, at any time, Lenders having Total Credit Exposures representing more than fifty percent (50%) of the Total Credit Exposures of all Lenders at such time; provided, that, if at any time there exists two (2) or more Lenders that are not Affiliates, “Required Lenders” shall mean at least two (2) Lenders having Total Credit Exposures representing more than fifty percent (50%) of the Total Credit Exposures of all Lenders at such time; provided, further, that, this definition shall be subject to the last sentence of Section 3.03(b). The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided, that, the amount of any participation in any Swingline Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the Swingline Lender or the applicable L/C Issuer, as the case may be, in making such determination.

“Required Revolving Lenders” means, at any time, Revolving Lenders having Total Revolving Credit Exposures representing more than fifty percent (50%) of the Total Revolving Credit Exposures of all Revolving Lenders at such time; provided, that, if at any time there exists two (2) or more Revolving Lenders that are not Affiliates, “Required Revolving Lenders” shall mean at least two (2) Revolving Lenders having Total Revolving Credit Exposures representing more than fifty percent (50%) of the Total Revolving Credit Exposures of all Revolving Lenders at such time. The Total Revolving Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Revolving Lenders at any time; provided, that, the amount of any participation in any Swingline Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Revolving Lender that is the Swingline Lender or the applicable L/C Issuer, as the case may be, in making such determination.

“Rescindable Amount” has the meaning specified in Section 2.12(b)(ii).

“Resignation Effective Date” has the meaning specified in Section 9.06.

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

“Responsible Officer” means, with respect to any Loan Party, (a) the chief executive officer, president, chief financial officer, treasurer, assistant treasurer or controller of such Loan Party, (b) solely for purposes of the delivery of incumbency certificates pursuant to this Agreement, the secretary or any assistant secretary of such Loan Party, and (c) solely for purposes of notices given pursuant to Article II, (i) any other officer or employee of such Loan Party so designated by any of the officers of such Loan Party identified in clause (a) above or clause (b) above in a notice to the Administrative Agent, or (ii) any other officer or employee of such Loan Party designated in or pursuant to an agreement between such Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party. To the extent requested by the Administrative Agent, each Responsible Officer will provide an incumbency certificate and to the extent requested by the Administrative Agent, appropriate authorization documentation, in form and substance satisfactory to the Administrative Agent.

“Restricted Payment” means (a) any dividend or other distribution, direct or indirect, on account of any shares (or equivalent) of any class of Equity Interests of the Borrower or any Subsidiary, now or hereafter outstanding, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares (or equivalent) of any class of Equity Interests of the Borrower or any Subsidiary, now or hereafter outstanding, and (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of Equity Interests of the Borrower or any Subsidiary, now or hereafter outstanding.

“Revolving Borrowing” means a borrowing consisting of simultaneous Revolving Loans of the same Type and, in the case of Term SOFR Loans, having the same Interest Period made by each of the Revolving Lenders pursuant to Section 2.01(b).

“Revolving Commitment” means, as to each Revolving Lender, such Revolving Lender’s obligation to (a) make Revolving Loans to the Borrower pursuant to Section 2.01(b), (b) purchase participations in L/C Obligations, and (c) purchase participations in Swingline Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Revolving Lender’s name on Schedule 1.01(b) under the caption “Revolving Commitment” or opposite such caption

in the Assignment and Assumption or other documentation pursuant to which such Revolving Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. The Revolving Commitments of all of the Revolving Lenders on the ~~Closing~~Third Amendment Effective Date shall be \$~~100,000,000~~200,000,000.

“Revolving Exposure” means, as to any Revolving Lender at any time, the aggregate principal amount of such Revolving Lender’s (a) outstanding Revolving Loans at such time, plus (b) participation in L/C Obligations at such time, plus (c) participation in Swingline Loans at such time.

“Revolving Facility” means, at any time, the aggregate amount of the Revolving Lenders’ Revolving Commitments at such time.

“Revolving Facility Maturity Date” means ~~February 19~~October 4, 2026~~2029~~; provided, that, if such date is not a Business Day, the Revolving Facility Maturity Date shall be the immediately preceding Business Day.

“Revolving Lender” means, at any time, (a) so long as any Revolving Commitment is in effect at such time, any Person that has a Revolving Commitment at such time, or (b) if the Revolving Commitments have terminated or expired at such time, any Person that has a Revolving Loan or a participation in L/C Obligations or Swingline Loans at such time.

“Revolving Loan” has the meaning specified in Section 2.01(b).

“S&P” means ~~Standard & Poor’s Financial Services LLC, a subsidiary~~S&P Global Ratings, a business of S&P Global Inc., and any successor thereto.

“Sale and Leaseback Transaction” means, with respect to any Loan Party or any Subsidiary, any arrangement, directly or indirectly, with any Person whereby such Loan Party or such Subsidiary shall sell or transfer any property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

“Sanction(s)” means any sanction administered or enforced by the United States Government (including OFAC), the United Nations Security Council, the European Union, His Majesty’s Treasury (“HMT”) or other relevant sanctions authority.

“Scheduled Unavailability Date” has the meaning specified in Section 3.03(b).

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Secured Bilateral Letter of Credit” means any Bilateral Letter of Credit issued by a Bilateral Letter of Credit L/C Issuer for the account of any Loan Party or any Subsidiary with respect to which such Bilateral Letter of Credit L/C Issuer (other than the Administrative Agent or an Affiliate of the Administrative Agent) has delivered a Secured Party Designation Notice to the Administrative Agent.

“Secured Bilateral Letter of Credit L/C Issuer” means any Bilateral Letter of Credit L/C Issuer that has issued a Secured Bilateral Letter of Credit.

“Secured Cash Management Agreement” means any Cash Management Agreement between any Loan Party or any Subsidiary and any Cash Management Bank with respect to which such Cash

Management Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) has delivered a Secured Party Designation Notice to the Administrative Agent.

“Secured Cash Management Bank” means any Cash Management Bank that is a counterparty to any Secured Cash Management Agreement.

“Secured Hedge Agreement” means any interest rate, currency, foreign exchange, or commodity Swap Contract not prohibited by this Agreement between any Loan Party or any Subsidiary and any Hedge Bank with respect to which such Hedge Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) has delivered a Secured Party Designation Notice to the Administrative Agent.

“Secured Hedge Bank” means any Hedge Bank that is a counterparty to any Secured Hedge Agreement.

“Secured Obligations” means all Obligations and all Additional Secured Obligations.

“Secured Party” means each of the Administrative Agent, each Lender, each L/C Issuer, each Secured Hedge Bank, each Secured Cash Management Bank, each Secured Bilateral Letter of Credit L/C Issuer, each Indemnitee, and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.05.

“Secured Party Designation Notice” means a notice from any Lender or an Affiliate of a Lender substantially in the form of Exhibit E.

“Securities Act” means the Securities Act of 1933.

“Securitization Documents” means, collectively, with respect to any Permitted Securitization Transaction, the definitive documentation for such Permitted Securitization Transaction, including any agreement entered into by any SPE created in connection with the establishment of such Permitted Securitization Transaction.

“Securitization Related Property” means Receivables and Related Assets which are sold or purported to be sold, conveyed, contributed or otherwise transferred to one or more SPEs pursuant to a Permitted Securitization Transaction.

“Securitization Transaction” means, with respect to any Person, any financing transaction or series of financing transactions (including factoring arrangements) pursuant to which such Person or any Subsidiary of such Person may sell, convey or otherwise transfer, or grant a security interest in, accounts, payments, receivables, rights to future lease payments or residuals or similar rights to payment to a special purpose subsidiary or affiliate of such Person.

“Security Agreement” means the security and pledge agreement, dated as of the Closing Date, executed in favor of the Administrative Agent by each of the Loan Parties.

~~“Sellers” has the meaning specified in the Preliminary Statements.~~

“SOFR” means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York (or a successor administrator).

“SOFR Adjustment” means: (a) with respect to Daily Simple SOFR, 0.10% (10 basis points); and (b) with respect to Term SOFR, 0.10% (10 basis points) for an Interest Period of one-month’s duration,

0.10% (10 basis points) for an Interest Period of three-month's duration, and 0.10% (10 basis points) for an Interest Period of six-months' duration.

“Solvency Certificate” means a solvency certificate in substantially ~~in~~ the form of Exhibit G.

“Solvent” and “Solvency” mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

~~“Specified Closing Date Acquisition Agreement Representations” means the representations and warranties made by the Closing Date Acquisition Target in the Closing Date Acquisition Agreement as are material to the interests of the Lenders, but only to the extent that the Borrower (or any of its Affiliates) has the right to terminate the Borrower's (or such Affiliate's) obligations under the Closing Date Acquisition Agreement, or has the right not to consummate the Closing Date Acquisition, in each case as a result of a breach of such representations and warranties in the Closing Date Acquisition Agreement.~~

“SPE” means, with respect to any Permitted Securitization Transaction, any special purpose Subsidiary or Affiliate of the Borrower created in connection with the establishment of such Permitted Securitization Transaction.

“SPE Deposit Account” means a deposit account owned by an SPE into which proceeds derived from a Permitted Securitization Transaction are deposited.

“Specified Event of Default” means any Event of Default pursuant to Section 8.01(a), Section 8.01(f), or Section 8.01(g).

“Specified Loan Party” means any Loan Party that is not then an “eligible contract participant” under the Commodity Exchange Act (determined prior to giving effect to Section 10.11).

~~“Specified Representations” means the representations and warranties of the Loan Parties set forth in Sections 5.01(a) (solely as to the valid existence of the Loan Parties), 5.01(b)(ii), 5.02(a), 5.02(b)(i), 5.02(b)(iii), 5.04, 5.13, 5.16 (as of the Closing Date after giving effect to the Transactions), 5.17 (solely as it relates to the use of proceeds of Credit Extensions made on the Closing Date), and Section 5.19(a) (but subject to the Limited Conditionality Provision).~~

“Specified Transaction” means (a) any Acquisition, any Disposition, any sale, transfer or other disposition that results in a Person ceasing to be a Subsidiary, any Involuntary Disposition, or any Investment that results in a Person becoming a Subsidiary, (b) any incurrence or repayment of Indebtedness, or (c) any other event that by the terms of the Loan Documents requires Pro Forma Compliance with a test or covenant, calculation as to Pro Forma Effect with respect to a test or covenant, or requires such test or covenant to be calculated on a Pro Forma Basis.

“Subordinating Loan Party” has the meaning specified in Section 11.16.

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Successor Rate” has the meaning specified in Section 3.03(b).

“Supply Chain Financing” means any supply chain finance transaction pursuant to which the Borrower or any of its Subsidiaries sells a portion of its accounts receivable (and, for the avoidance of doubt, not with respect to accounts receivable of the Borrower or such Subsidiary generally).

“Supply Chain Financing Obligation” means any obligation arising in connection with any Permitted Supply Chain Financing.

“Supported QFC” has the meaning specified in Section 11.21.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms, and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Swap Obligations” means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Swingline Borrowing” means a borrowing of a Swingline Loan pursuant to Section 2.04.

“Swingline Commitment” means the commitment of the Swingline Lender to make Swingline Loans hereunder. The ~~initial~~ amount of the Swingline Commitment as of the Third Amendment Effective

Date is set forth on Schedule 1.01(b). The Swingline Commitment may be modified from time to time by agreement between the Swingline Lender and the Borrower and notified to the Administrative Agent.

“Swingline Lender” means Bank of America, in its capacity as provider of Swingline Loans, or any successor swingline lender hereunder.

“Swingline Loan” has the meaning specified in Section 2.04(a).

“Swingline Loan Notice” means a notice of a Swingline Borrowing pursuant to Section 2.04(b), which shall be substantially in the form of Exhibit H or such other form as approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Borrower.

“Swingline Sublimit” means, as of any date of determination, an amount equal to the lesser of (a) \$10,000,000, and (b) the amount of the Revolving Facility as of such date. The Swingline Sublimit is part of, and not in addition to, the Revolving Facility.

“Synthetic Lease Obligation” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including Sale and Leaseback Transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief Laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

~~“TeleroB Acquisition” means the Acquisition by the Borrower of TeleroB Gesellschaft für Fernhantierungstechnik mbH; provided, that, such Acquisition is consummated on substantially the terms disclosed to the Administrative Agent prior to the Closing Date.~~

~~“TeleroB Immaterial Subsidiary” means any Domestic Subsidiary acquired in connection with the TeleroB Acquisition that is not, as of any date of determination, a TeleroB Material Subsidiary.~~

~~“TeleroB Material Subsidiary” means any Domestic Subsidiary acquired in connection with the TeleroB Acquisition that has (when taken together with its Subsidiaries), as of any date of determination, for the Measurement Period most recently ended on or prior to such date for which financial statements have been (or were required to be) delivered pursuant Section 6.01(a) or Section 6.01(b), revenues in excess of five percent (5%) of the Consolidated revenues of the Borrower and its Subsidiaries for such Measurement Period.~~

~~“Term A Borrowing” means a borrowing consisting of simultaneous Term A Loans of the same Type and, in the case of Term SOFR Loans, having the same Interest Period made by each of the Term A Lenders pursuant to Section 2.01(a).~~

~~“Term A Commitment” means, as to each Term A Lender, its obligation to make a Term A Loan to the Borrower pursuant to Section 2.01(a) in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Term A Lender’s name on Schedule 1.01(b) under the~~

~~caption “Term A Commitment”. The Term A Commitments of all of the Term A Lenders on the Closing Date shall be \$200,000,000.~~

~~“Term A Facility” means, at any time (a) on or prior to the funding of the Term A Loans on the Closing Date, the aggregate amount of the Term A Commitments at such time, and (b) thereafter, the aggregate principal amount of the Term A Loans of all Term A Lenders outstanding at such time.~~

~~“Term A Facility Maturity Date” means February 19, 2026; provided, that, if such date is not a Business Day, the Term A Facility Maturity Date shall be the immediately preceding Business Day.~~

~~“Term A Lender” means (a) at any time on or prior to the funding of the Term A Loans on the Closing Date, any Person that has a Term A Commitment at such time, and (b) at any time thereafter, any Person that holds a Term A Loan at such time.~~

~~“Term A Loan” means an advance made by a Term A Lender under the Term A Facility.~~

~~“Term Borrowing” means a Term A Borrowing or an Incremental Term Borrowing, as the context may require.~~

~~“Term Commitment” means a Term A Commitment or an Incremental Term Commitment, as the context may require.~~

~~“Term Facility” means the Term A Facility or an Incremental Term Facility, as the context may require.~~

~~“Term Loan” means a Term A Loan or an Incremental Term Loan, as the context may require.~~

“Term SOFR” means: (a) for any Interest Period with respect to a Term SOFR Loan, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided, that, if the rate is not published prior to 11:00 a.m. (New York City time) on such determination date, then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto; in each case, plus the SOFR Adjustment for such Interest Period; and (b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to such date with a term of one month commencing that day; provided, that, if the rate is not published prior to 11:00 a.m. (New York City time) on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto; plus the SOFR Adjustment for such term; provided, that, if Term SOFR determined in accordance with either of the foregoing ~~clauses~~ clause (a) or clause (b), would otherwise be less than zero, Term SOFR shall be deemed zero for purposes of this Agreement.

“Term SOFR Loan” means a Revolving Loan or ~~a~~an Incremental Term Loan that bears interest at a rate based on clause (a) of the definition of “Term SOFR.”

“Term SOFR Replacement Date” has the meaning specified in Section 3.03(b).

“Term SOFR Screen Rate” means the forward-looking SOFR term rate administered by CME (or any successor administrator satisfactory to the Administrative Agent) and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).

“Third Amendment” means that certain Third Amendment to Credit Agreement, dated as of the Third Amendment Effective Date, among the Borrower, the Guarantors party thereto, the Lenders party thereto, Bank of America, as the Administrative Agent, the Swingline Lender and an L/C Issuer, and the other L/C Issuers party thereto.

“Third Amendment Effective Date” means October 4, 2024.

“Threshold Amount” means \$35,000,000.

“Total Credit Exposure” means, as to any Lender at any time, (a) the unused Commitments of such Lender at such time, plus (b) the Revolving Exposure of such Lender at such time, plus (c) the Outstanding Amount of all Incremental Term Loans of such Lender at such time.

“Total Revolving Credit Exposure” means, as to any Revolving Lender at any time, (a) the unused Revolving Commitment of such Revolving Lender at such time, plus (b) the Revolving Exposure of such Revolving Lender at such time.

“Total Revolving Outstandings” means, at any time, (a) the aggregate Outstanding Amount of all Revolving Loans at such time, plus (b) the aggregate Outstanding Amount of all Swingline Loans at such time, plus (c) the aggregate Outstanding Amount of all L/C Obligations at such time.

~~“Transactions” means, collectively, (a) the consummation of the Closing Date Acquisition pursuant to the Closing Date Acquisition Agreement, (b) the entering into of the Loan Documents, the incurrence of the Term A Loans, and the deemed issuance of the Existing Letters of Credit hereunder, in each case on the Closing Date, (c) the consummation of the Closing Date Equity Contribution, and (d) the application of the proceeds of the Term A Loans to be borrowed on the Closing Date to (i) pay a portion of the purchase price in connection with the Closing Date Acquisition, (ii) pay the fees, costs and expenses incurred in connection with the Transactions, and (iii) consummate the Closing Date Refinancing (the amounts set forth in clauses (d)(i) through (d)(iii) above, collectively, the “Closing Date Acquisition Costs”).~~

“Turkish Subsidiary” means Altay Savunma Sanayi ve Havacilik Anonim Sirketi, an entity organized under the laws of Turkey.

“Type” means, with respect to a Loan, its character as a Base Rate Loan or a Term SOFR Loan.

“UCC” means the Uniform Commercial Code as in effect in the State of New York; provided, that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

“UCP” means the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 600 (or such later version thereof as may be in effect at the applicable time).

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time

to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

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

“United States” and “U.S.” mean the United States of America.

“Unreimbursed Amount” has the meaning specified in Section 2.03(f).

“U.S. Government Securities Business Day” means any ~~Business Day, except any Business Day on which any of day except for (a) a Saturday, (b) a Sunday or (c) a day on which~~ the Securities Industry and Financial Markets Association, ~~the New York Stock Exchange or the Federal Reserve Bank of New York is not open for business because such day is a legal holiday under the federal laws of the United States or the laws of the State of New York, as applicable.~~ recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Person” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Code.

“U.S. Special Resolution Regimes” has the meaning specified in Section 11.21.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 3.01(f)(ii)(B)(3).

“Voting Stock” means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right to so vote has been suspended by the happening of such contingency.

~~“Webasto Litigation” means the lawsuit filed against the Borrower in Delaware Superior Court arising from the sale of the Borrower’s efficient energy systems business segment to Webasto Charging Systems, Inc., as more fully described in “Item 3 – Legal Proceedings” in the Borrower’s Form 10-K filed with the SEC on June 29, 2021.~~

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date of determination, the number of years obtained by dividing (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one twelfth) that will elapse between such date of determination and the making of such payment by (b) the then outstanding principal amount of such Indebtedness as of such date of determination.

“Wholly Owned Subsidiary” means, as to any Person, (a) any corporation one hundred percent (100%) of whose Equity Interests (other than directors’ qualifying shares or Equity Interests that are required to be held by another person in order to satisfy a foreign requirement of Law prescribing an equity owner resident in the local jurisdiction) is at the time owned by such Person and/or one or more Wholly Owned Subsidiaries of such Person, and (b) any partnership, association, joint venture, limited liability company or other entity in which such Person and/or one or more Wholly Owned Subsidiaries of such Person have a one hundred percent (100%) equity interest at such time.

“Withholding Agent” means the Borrower and the Administrative Agent.

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

1.02 Other Interpretive Provisions.

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including the Loan Documents and any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, amended and restated, modified, extended, restated, replaced or supplemented from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “hereto,” “herein,” “hereof” and “hereunder,” and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law, rule and any reference to any law, rule or regulation shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including;” the words “to” and “until” each mean “to but excluding;” and the word “through” means “to and including.”

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(d) Any reference herein to a merger, transfer, consolidation, amalgamation, assignment, sale, or disposition, or similar term, shall be deemed to apply to a division of or by a

limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, assignment, sale, or disposition, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person).

1.03 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant or the Consolidated Leverage Ratio) contained herein, (i) Indebtedness of the Borrower and its Subsidiaries (including any Permitted Convertible Indebtedness) shall be deemed to be carried at one hundred percent (100%) of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded, (ii) all liability amounts shall be determined excluding any liability relating to any operating lease, all asset amounts shall be determined excluding any right-of-use assets relating to any operating lease, all amortization amounts shall be determined excluding any amortization of a right-of-use asset relating to any operating lease, and all interest amounts shall be determined excluding any deemed interest comprising a portion of fixed rent payable under any operating lease, in each case to the extent that such liability, asset, amortization or interest pertains to an operating lease under which the covenantor or a member of its consolidated group is the lessee and would not have been accounted for as such under GAAP as in effect on December 31, 2015, and (iii) all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under FASB ASC Topic 825 “Financial Instruments” (or any other financial accounting standard having a similar result or effect) to value any Indebtedness of the Borrower or any Subsidiary at “fair value”, as defined therein. For purposes of determining the amount of any outstanding Indebtedness, no effect shall be given to any election by the Borrower to measure an item of Indebtedness using fair value (as permitted by ~~Financial Accounting Standards Board Accounting Standards Codification~~ FASB ASC 825-10-25 (formerly known as FASB 159) or any similar accounting standard).

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided, that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein, and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) Consolidation of Variable Interest Entities. All references herein to Consolidated financial statements of the Borrower and its Subsidiaries or to the determination of any amount for the Borrower and its Subsidiaries on a Consolidated basis or any similar reference shall, in each case, be deemed to include each variable interest entity that the Borrower is required to consolidate pursuant to FASB ASC 810 as if such variable interest entity were a Subsidiary.

(d) Pro Forma Calculations. Notwithstanding anything to the contrary contained herein, all calculations of the Consolidated Leverage Ratio (including for purposes of determining the Applicable Rate ~~or~~), the Consolidated Senior Secured Leverage Ratio (including for purposes of determining compliance with any the financial covenant set forth in Section 7.11(a)) and the Consolidated Fixed Charge Coverage Ratio (including for purposes of determining compliance with the financial covenant set forth in Section 7.11(b)), in each case, shall be made on a Pro Forma Basis with respect to all Specified Transactions occurring during the applicable Measurement Period to which such calculation relates, and/or subsequent to the end of such Measurement Period but not later than the date of such calculation; provided, that, notwithstanding the foregoing, when calculating the Consolidated Leverage Ratio, the Consolidated Senior Secured Leverage Ratio or the Consolidated Fixed Charge Coverage Ratio, in each case, for purposes of determining (i) compliance with Section 7.11, and/or (ii) the Applicable Rate, any Specified Transaction and any related adjustment contemplated in the definition of Pro Forma Basis that occurred subsequent to the end of the applicable Measurement Period shall not be given Pro Forma Effect. ~~For purposes of determining compliance with any provision of this Agreement which requires Pro Forma Compliance with any financial covenant set forth in Section 7.11, (A) in the case of any such compliance required after delivery of financial statements for the fiscal quarter ending April 30, 2021, such Pro Forma Compliance shall be determined by reference to the maximum Consolidated Leverage Ratio and/or the minimum Consolidated Fixed Charge Coverage Ratio, as applicable, permitted for the fiscal quarter of the Borrower most recently then ended for which financial statements have been delivered (or were required to have been delivered) in accordance with Section 6.01(a) or (b), as applicable, and (B) in the case of any such compliance required prior to the delivery referred to in clause (A) above, such Pro Forma Compliance shall be determined by reference to (1) the Pro Forma Financial Statements, and (2) the maximum Consolidated Leverage Ratio and/or the minimum Consolidated Fixed Charge Coverage Ratio, as applicable, permitted for the fiscal quarter ending April 30, 2021.~~

(e) Limited Condition Acquisitions. Notwithstanding anything to the contrary herein, to the extent that the terms of this Agreement require (i) compliance with any basket, financial ratio or test (including any Consolidated Leverage Ratio test, any Consolidated Senior Secured Leverage Ratio test or any Consolidated Fixed Charge Coverage Ratio test), (ii) the absence of a Default or an Event of Default, or (iii) a determination as to whether the representations and warranties contained in this Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect), in each case in connection with the consummation of a Limited Condition Acquisition, the determination of whether the relevant condition is satisfied may be made, at the election of the Borrower, on the date of the execution of the Limited Condition Acquisition Agreement with respect to such Limited Condition Acquisition (such date, the "LCA Test Date"), after giving effect to the relevant Limited Condition Acquisition and any related incurrence of Indebtedness, on a Pro Forma Basis; provided, that, notwithstanding the foregoing, in connection with any Limited Condition Acquisition: (A) the condition set forth in clause (a) of the proviso to the definition of "Permitted Acquisition" shall be satisfied if (1) no Default shall have occurred and

be continuing as of the applicable LCA Test Date, and (2) no Specified Event of Default shall have occurred and be continuing at the time of consummation of such Limited Condition Acquisition; (B) if the proceeds of an Incremental Term Facility are being used to finance such Limited Condition Acquisition, then (1) the conditions set forth in [Section 2.02\(g\)\(ii\)\(E\)](#) and [Section 4.02\(a\)](#) shall be required to be satisfied at the time of closing of the Limited Condition Acquisition and funding of such Incremental Term Facility but, if the Incremental Term Lenders providing such Incremental Term Facility so agree, the representations and warranties which must be accurate at the time of closing of the Limited Condition Acquisition and funding of such Incremental Term Facility may be limited to customary “specified representations,” customary “specified acquisition agreement representations,” and such other representations and warranties as may be required by the Incremental Term Lenders providing such Incremental Term Facility, and (2) the conditions set forth in [Section 2.02\(g\)\(ii\)\(B\)](#) and [Section 4.02\(b\)](#) shall, if and to the extent the Incremental Term Lenders providing such Incremental Term Facility so agree, be satisfied if (x) no Default shall have occurred and be continuing as of the applicable LCA Test Date, and (y) no Specified Event of Default shall have occurred and be continuing at the time of the funding of such Incremental Term Facility in connection with the consummation of such Limited Condition Acquisition; and (C) such Limited Condition Acquisition, any related pro forma adjustments, and the related Indebtedness to be incurred in connection therewith and the use of proceeds thereof shall be deemed consummated, made, incurred and/or applied at the applicable LCA Test Date (until such time as the Indebtedness is actually incurred or the applicable Limited Condition Acquisition Agreement is terminated without actually consummating the applicable Limited Condition Acquisition) and outstanding thereafter for purposes of determining Pro Forma Compliance (other than for purposes of determining Pro Forma Compliance in connection with the making of any Restricted Payment ~~or~~, [the incurrence of Permitted Unsecured Debt](#), the making of any Junior Debt Payment ~~or~~ [determining the satisfaction of the condition set forth in Section 4.02\(d\)](#)) with any financial ratio or test (including any Consolidated [Leverage Ratio test](#), [any Consolidated Senior Secured Leverage Ratio test](#), any Consolidated Fixed Charge Coverage Ratio test, or any calculation of the financial covenants set forth in [Section 7.11](#)) (it being understood and agreed that for purposes of determining Pro Forma Compliance in connection with the making of any Restricted Payment ~~or~~, [the incurrence of any Permitted Unsecured Debt](#), the making of any Junior Debt Payment, ~~or~~ [determining the satisfaction of the condition set forth in Section 4.02\(d\)](#), the Borrower shall demonstrate compliance with the applicable test both after giving effect to the applicable Limited Condition Acquisition and assuming that such transaction has not occurred). For the avoidance of doubt, if any of such ratios or amounts for which compliance was determined or tested as of the applicable LCA Test Date are thereafter exceeded or otherwise failed to have been complied with as a result of fluctuations in such ratio or amount (including due to fluctuations in Consolidated EBITDA), at or prior to the consummation of the relevant Limited Condition Acquisition, such ratios or amounts will not be deemed to have been exceeded or failed to be complied with as a result of such fluctuations solely for purposes of determining whether the relevant Limited Condition Acquisition is permitted to be consummated. Except as set forth in [clause \(B\)](#) in the proviso to the first sentence in this [Section 1.03\(e\)](#) in connection with the use of the proceeds of an Incremental Term Facility to finance a Limited Condition Acquisition (and, in the case of such [clause \(B\)](#), only if and to the extent the Incremental Term Lenders providing such Incremental Term Facility so agree as provided in such [clause \(B\)](#)), it is understood and agreed that this [Section 1.03\(e\)](#) shall not limit the conditions set forth in [Section 4.02](#) with respect to any proposed Credit Extension, in connection with a Limited Condition Acquisition or otherwise.

1.04 [Rounding](#).

Any financial ratios required to be maintained by the Loan Parties pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day.

Unless otherwise specified, all references herein to times of day shall be references to Pacific time (daylight or standard, as applicable).

1.06 Letter of Credit Amounts.

Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, that, with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

1.07 UCC Terms.

Terms defined in the UCC in effect on the Closing Date and not otherwise defined herein shall, unless the context otherwise indicates, have the meanings provided by those definitions. Subject to the foregoing, the term "UCC" refers, as of any date of determination, to the UCC then in effect.

1.08 Interest Rates.

The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to any reference rate referred to herein or with respect to any rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) that is an alternative or replacement for or successor to any such rate (including any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including any Successor Rate) (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or other action or omission related to or affecting the selection, determination, or calculation of any rate (or component thereof) provided by any such information source or service.

ARTICLE II

COMMITMENTS AND CREDIT EXTENSIONS

2.01 Loans.

~~(a) Term A Borrowing. Subject to the terms and conditions set forth herein, each Term A Lender severally agrees to make a Term A Loan to the Borrower, in Dollars, on the Closing Date in an amount not to exceed such Term A Lender's Term A Commitment. The Term A Borrowing shall consist of Term A Loans made simultaneously by the Term A Lenders in accordance with their respective Term A Commitments. Any Term A Borrowing repaid or prepaid may not be reborrowed. Term A Loans may be Base Rate Loans or Term SOFR Loans, as further provided herein; provided, that, the Term A Borrowing made on the Closing Date shall be made as Base Rate Loans unless the Borrower delivers a Funding Indemnity Letter not less than three (3) Business Days prior to the Closing Date.~~

(a) [Reserved].

(b) Revolving Borrowings. Subject to the terms and conditions set forth herein, each Revolving Lender severally agrees to make loans (each such loan, a "Revolving Loan") to the Borrower, in Dollars, from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Revolving Lender's Revolving Commitment; provided, that, (i) after giving effect to any Revolving Borrowing, ~~(A*i*)~~ the Total Revolving Outstandings shall not exceed the Revolving Facility, and ~~(B*ii*)~~ the Revolving Exposure of any Revolving Lender shall not exceed such Revolving Lender's Revolving Commitment, ~~and (ii) no Revolving Borrowing shall be made on the Closing Date~~. Within the limits of each Revolving Lender's Revolving Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow Revolving Loans, prepay Revolving Loans under Section 2.05, and reborrow Revolving Loans under this Section 2.01(b). Revolving Loans may be Base Rate Loans or Term SOFR Loans, as further provided herein; provided, that, any Revolving Borrowing made on any of the three (3) Business Days following the Closing Date shall be made as Base Rate Loans unless the Borrower delivers a Funding Indemnity Letter not less than three (3) Business Days prior to the date of such Revolving Borrowing.

(c) Incremental Term Borrowings. Subject to Section 2.02(g), on the effective date of any Incremental Term Facility Agreement for any Incremental Term Facility, each Incremental Term Lender under such Incremental Term Facility severally agrees to make an Incremental Term Loan to the Borrower in Dollars and in the amount of such Incremental Term Lender's Incremental Term Commitment for such Incremental Term Facility; provided, that, after giving effect to such Incremental Term Loans, the Outstanding Amount of such Incremental Term Loans under such Incremental Term Facility shall not exceed the aggregate amount of the Incremental Term Commitments for such Incremental Term Facility. Each Incremental Term Borrowing under an Incremental Term Facility shall consist of Incremental Term Loans made simultaneously by the Incremental Term Lenders under such Incremental Term Facility in accordance with their respective Incremental Term Commitments for such Incremental Term Facility. Incremental Term Borrowings prepaid or repaid may not be reborrowed. Incremental Term Loans may be Base Rate Loans or Term SOFR Loans, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Loans.

(a) Notice of Borrowing. Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Term SOFR Loans, in each case, shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by telephone or a Loan Notice; provided, that, any telephonic notice must be confirmed promptly by delivery to the Administrative Agent of a Loan Notice. Each Loan Notice must be received by the Administrative Agent not later than (i) 11:00 a.m. three (3) Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Term SOFR Loans or of any

conversion of Term SOFR Loans to Base Rate Loans, and ~~(iii)~~ 8:00 a.m. on the requested date of any Borrowing of Base Rate Loans. Each Borrowing of, conversion to or continuation of Term SOFR Loans shall be in a principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof (or, in connection with any conversion or continuation of any Incremental Term Loans, if less, the entire principal thereof then outstanding). Except as provided in Sections 2.03(f) and 2.04(c), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof (or, in connection with any conversion or continuation of any Incremental Term Loans, if less, the entire principal thereof then outstanding). Each Loan Notice and each telephonic notice shall specify (A) the applicable Facility and whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Loans, as the case may be, under such Facility, (B) the requested date of such Borrowing, conversion, or continuation, as the case may be (which shall be a Business Day), (C) the principal amount of Loans to be borrowed, converted, or continued, (D) the Type of Loans to be borrowed or to which existing Loans are to be converted, and (E) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify a Type of Loan in a Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Term SOFR Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Term SOFR Loans in any such Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one (1) month. Notwithstanding anything to the contrary herein, this Section 2.02 shall not apply to Swingline Loans or Swingline Borrowings.

(b) Advances. Following receipt of a Loan Notice for a Facility, the Administrative Agent shall promptly notify each Appropriate Lender of the amount of its Applicable Percentage under such Facility of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Appropriate Lender of the details of any automatic conversion to Base Rate Loans described in Section 2.02(a). In the case of a Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 10:00 a.m. on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.0+2 of the Third Amendment), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of Bank of America with the amount of such funds, or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower; provided, that, if on the date a Loan Notice with respect to a Revolving Borrowing is given by the Borrower, there are Unreimbursed Amounts outstanding, then the proceeds of such Revolving Borrowing, first, shall be applied to the payment in full of any such Unreimbursed Amounts, and second, shall be made available to the Borrower as provided above.

(c) Term SOFR Loans. Except as otherwise provided herein, a Term SOFR Loan may be continued or converted only on the last day of an Interest Period for such Term SOFR Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Term SOFR Loans without the consent of the Required Lenders, and the Required Lenders may demand that any or all of the outstanding Term SOFR Loans be converted immediately to Base Rate Loans.

(d) Interest Rates. Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error.

(e) Interest Periods. ~~After giving effect to all Term A Borrowings, all conversions of Term A Loans from one Type to the other, and all continuations of Term A Loans as the same Type, there shall not be more than five (5) Interest Periods in effect in respect of the Term A Facility.~~
-After giving effect to all Revolving Borrowings, all conversions of Revolving Loans from one Type to the other, and all continuations of Revolving Loans as the same Type, there shall not be more than five (5) Interest Periods in effect in respect of the Revolving Facility. With respect to each Incremental Term Facility, after giving effect to all Borrowings in connection with such Incremental Term Facility, all conversions of Incremental Term Loans under such Incremental Term Facility from one Type to the other, and all continuations of Incremental Term Loans under such Incremental Term Facility as the same Type, there shall not be more than five (5) Interest Periods in effect in respect of such Incremental Term Facility.

(f) Cashless Settlement Mechanism. Notwithstanding anything to the contrary in this Agreement, any Lender may exchange, continue or rollover all or the portion of its Loans in connection with any refinancing, extension, loan modification or similar transaction permitted by the terms of this Agreement, pursuant to a cashless settlement mechanism approved by the Borrower, the Administrative Agent and such Lender.

(g) Increases in Revolving Facility; Incremental Term Facilities. The Borrower may increase the Revolving Facility (but not the Letter of Credit Sublimit or the Swingline Sublimit) and/or establish one or more new tranches of term loans (each such new tranche of term loans being an “Incremental Term Facility”; each such increase in the Revolving Facility and each Incremental Term Facility, an “Incremental Facility”), by a maximum aggregate amount for all such Incremental Facilities not to exceed, as of any date of determination, the Incremental Amount.

(i) Increases in Revolving Facility. The Borrower may at any time after the Closing Date and prior to the Revolving Facility Maturity Date, upon prior written notice by the Borrower to the Administrative Agent, increase the Revolving Facility (but not the Letter of Credit Sublimit or the Swingline Sublimit) with additional Revolving Commitments from any Revolving Lender or new Revolving Commitments from one or more other Persons selected by the Borrower and acceptable to the Administrative Agent, the Swingline Lender and each L/C Issuer (so long as such Persons would be Eligible Assignees); provided, that:

(A) any such increase shall be in a minimum principal amount of \$25,000,000 and in integral multiples of \$1,000,000 in excess thereof (or such other amount as the Administrative Agent shall agree in its sole discretion);

(B) no Default shall exist and be continuing at the time of any such increase or would exist immediately after giving effect thereto;

(C) no existing Lender shall be under any obligation to provide a Revolving Commitment in connection with such increase (or to increase its Revolving Commitment, as applicable) and any such decision whether to participate in such increase shall be in such Lender’s sole and absolute discretion;

(D) (1) any new Lender shall join this Agreement by executing such joinder documents as are required by the Administrative Agent, and/or (2) any existing Lender electing to provide a Revolving Commitment in connection with such increase (or to increase its Revolving Commitment, as applicable) shall have executed a commitment agreement satisfactory to the Administrative Agent;

(E) before and after giving effect to such increase, the representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect) on and as of the date of such increase, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect) as of such earlier date, and except that for purposes of this Section 2.02(g)(i)(E), the representations and warranties contained in Sections 5.05(a) and (b) shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b), respectively;

(F) the Administrative Agent shall have received (1) a certificate from a Responsible Officer of the Borrower certifying that (x) the conditions set forth in Sections 2.02(g)(i)(B) and (g)(i)(E) have been satisfied, (y) the ~~condition~~conditions set forth in Section 2.02(g)(i)(G)(1) ~~has~~have been satisfied (which certification shall include reasonably detailed calculations to demonstrate the satisfaction of such ~~condition~~conditions), and (z) to the extent applicable, the condition set forth in Section 2.02(g)(i)(G)(2) has been satisfied (which certification shall include reasonably detailed calculations to demonstrate the satisfaction of such condition), (2) a certificate from a Responsible Officer of each Loan Party certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (3) if requested by the Administrative Agent, an opinion or opinions of counsel for the Loan Parties, dated as of the date of such increase, in form and substance satisfactory to the Administrative Agent;

(G) (1) upon giving Pro Forma Effect to any such increase (and assuming for such calculation that such increase is fully drawn), ~~(x)~~ the Loan Parties would be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or Section 6.01(b), and ~~(y) the Consolidated Leverage Ratio shall not exceed the Leverage Ratio Target, and~~ (2) to the extent such increase is being incurred in reliance on the Leverage-Based Prong, after giving effect to such increase, such increase is permitted pursuant to the Leverage-Based Prong;

(H) any such increase shall (1) rank pari passu in right of payment with the Obligations and in respect of the Collateral, and (2) be on the same terms and pursuant to the same documentation applicable to the Revolving Facility; and

(I) in connection with any such increase, the Borrower shall prepay any Revolving Loans outstanding on the date of such increase (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Revolving Loans ratable with any revised Revolving Commitments arising from any non-ratable increase in the Revolving Facility pursuant to this Section 2.02(g)(i).

(ii) Institution of Incremental Term Facilities. The Borrower may at any time after the Closing Date and prior to the ~~Term A~~Revolving Facility Maturity Date, upon prior written notice to the Administrative Agent, establish an Incremental Term Facility under this Agreement to be provided by one or more Incremental Term Lenders for such Incremental Term Facility; provided, that:

(A) any such Incremental Term Facility shall be in a minimum aggregate principal amount of \$25,000,000 and integral multiples of \$1,000,000 in excess thereof (or such other amount as the Administrative Agent shall agree in its sole discretion);

(B) no Default shall exist and be continuing at the time of the establishment of any such Incremental Term Facility or would exist immediately after giving effect thereto;

(C) no existing Lender shall be under any obligation to become an Incremental Term Lender and any such decision whether to become an Incremental Term Lender shall be in such Lender's sole and absolute discretion;

(D) the Borrower (in consultation and coordination with the Administrative Agent) shall obtain Incremental Term Commitments for such Incremental Term Facility from existing Lenders or other Persons reasonably acceptable to the Administrative Agent, which Persons shall join in this Agreement as Incremental Term Lenders by executing an agreement, in form and substance satisfactory to the Administrative Agent, setting forth the terms applicable to such Incremental Term Facility in accordance with this Section 2.02(g)(ii) (any such agreement, an "Incremental Term Facility Agreement"), it being understood and agreed that in connection with any Incremental Term Facility, the Incremental Term Facility Agreement for such Incremental Term Facility shall only be required to be executed by the Incremental Term Lenders for such Incremental Term Facility, the Loan Parties, and the Administrative Agent (and, for the avoidance of doubt, shall not require the consent of any other Person (including any Lender));

(E) before and after giving effect to the establishment of such Incremental Term Facility, the representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect) on and as of the date of incurrence of such Incremental Term Facility, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect) as of such earlier date, and except that for

purposes of this Section 2.02(g)(ii)(E), the representations and warranties contained in Sections 5.05(a) and (b) shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b), respectively;

(F) the Administrative Agent shall have received (1) a certificate from a Responsible Officer of the Borrower certifying that (x) the conditions set forth in Sections 2.02(g)(ii)(B) and (g)(ii)(E) have been satisfied, (y) the ~~condition~~conditions set forth in Section 2.02(g)(ii)(G)(1) ~~has~~have been satisfied (which certification shall include reasonably detailed calculations to demonstrate the satisfaction of such ~~condition~~conditions), and (z) to the extent applicable, the condition set forth in Section 2.02(g)(ii)(G)(2) has been satisfied (which certification shall include reasonably detailed calculations to demonstrate the satisfaction of such condition), (2) a certificate from a Responsible Officer of each Loan Party certifying and attaching the resolutions adopted by such Loan Party approving or consenting to the incurrence of such Incremental Term Facility, and (3) if requested by the Administrative Agent, an opinion or opinions of counsel for the Loan Parties, dated as of the date of incurrence of such Incremental Term Facility, in form and substance satisfactory to the Administrative Agent;

(G) (1) upon giving Pro Forma Effect to the incurrence of any such Incremental Term Facility, (x) the Loan Parties would be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or Section 6.01(b), and (y) the Consolidated Leverage Ratio shall not exceed the Leverage Ratio Target, and (2) to the extent such Incremental Term Facility is being incurred in reliance on the Leverage-Based Prong, after giving effect to such Incremental Term Facility, such Incremental Term Facility is permitted pursuant to the Leverage-Based Prong;

(H) the Incremental Term Facility Maturity Date for such Incremental Term Facility shall be as set forth in the Incremental Term Facility Agreement relating to such Incremental Term Facility; provided, that, such date shall not be earlier than the then-Latest Maturity Date;

(I) the Weighted Average Life to Maturity of the Incremental Term Loans advanced under such Incremental Term Facility shall be no shorter than the then-remaining Weighted Average Life to Maturity of ~~the Term A Loans or~~ any other then-existing Incremental Term Loans under any other then-existing Incremental Term Facility;

(J) subject to Sections 2.02(g)(ii)(H) and (g)(ii)(I), the amortization schedule applicable to the Incremental Term Loans advanced under such Incremental Term Facility shall be as determined by the Borrower and the Incremental Term Lenders for such Incremental Term Facility; and

(K) any such Incremental Term Facility shall (1) rank pari passu in right of payment with the Obligations and in respect of the Collateral, and (2) except as permitted by Sections 2.02(g)(ii)(H), (g)(ii)(I), and (g)(ii)(J), be ~~on the same terms and pursuant to the same documentation applicable to the Term A~~

~~Facility; provided, that, to the extent any of the terms of the Incremental Term Loans under such Incremental Term Facility are not substantially consistent with the terms of the Term A Facility, as applicable, such terms shall be~~subject to such terms and conditions as are reasonably satisfactory to the Administrative Agent (it being understood and agreed that the following shall be deemed to be satisfactory to the Administrative Agent: (x) covenants or other provisions applicable only to periods after the then-Latest Maturity Date; (y) to the extent required by any Incremental Term Lender for such Incremental Term Facility, covenants or other provisions that are not set forth in Loan Documents at the time of incurrence of such Incremental Term Facility, so long as the Loan Documents are amended to include such covenants or other provisions for the benefit of the Administrative Agent and the Lenders at the time of the incurrence of such Incremental Term Facility; and (z) to the extent required by any Incremental Term Lender for such Incremental Term Facility, customary call protection, “MFN” protection, and mandatory prepayments, in each case, which may be applicable solely with respect to such Incremental Term Facility; ~~provided, that,~~ with respect to any mandatory prepayment required in connection with the establishment of such Incremental Term Facility, such mandatory prepayment shall apply ratably to ~~the Term A Loans and~~ any other then-existing Incremental Term Loans under any then-existing Incremental Term Facility);

This Agreement and the other Loan Documents shall be amended to give effect to any Incremental Facility pursuant to documentation executed by lenders providing such Incremental Facility, the Administrative Agent and the Loan Parties, without the consent of any other Person (including any existing Lender), including amendments (I) to reflect the existence and terms of such Incremental Facility (including any repricing amendment provisions and refinancing facility provisions), (II) to make such other changes to this Agreement and the other Loan Documents consistent with the provisions and intent of such Incremental Facility, including adding provisions to permit such Incremental Facility to share in the benefits of this Agreement and the other Loan Documents (including to permit any such Incremental Term Facility to share in any mandatory prepayment provided herein) and to include the lenders for such Incremental Facility in the definition of “Required Lenders” and the definition of “Required Revolving Lenders,” as applicable, (III) notwithstanding any other provisions of this Agreement or any other Loan Documents to the contrary, if applicable, to permit the loans under such Incremental Facility to be “fungible” (including for purposes of the Code) with any other then-existing Loans under this Agreement, and (IV) to effect such other amendments to the this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of any such Incremental Facility.

2.03 Letters of Credit.

(a) The Letter of Credit Commitment. Subject to the terms and conditions set forth herein, in addition to the Loans provided for in Section 2.01, the Borrower may request that any L/C Issuer, in reliance on the agreements of the Revolving Lenders set forth in this Section 2.03, issue, at any time and from time to time during the Availability Period, Letters of Credit denominated in Dollars for its own account or the account of any of its Subsidiaries in such form as is acceptable to the Administrative Agent and such L/C Issuer in its reasonable determination. Letters of Credit issued hereunder shall constitute utilization of the Revolving Facility.

(b) Notice of Issuance, Amendment, Extension, Reinstatement or Renewal.

(i) To request the issuance of a Letter of Credit (or the amendment of the terms and conditions, extension of the terms and conditions, extension of the expiration date, or reinstatement of amounts paid, or renewal of an outstanding Letter of Credit), the Borrower shall deliver (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable L/C Issuer) to the applicable L/C Issuer and to the Administrative Agent not later than 8:00 a.m. at least two (2) Business Days (or such later date and time as the Administrative Agent and such L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be, a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, extended, reinstated or renewed, and specifying the date of issuance, amendment, extension, reinstatement or renewal (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with Section 2.03(d)), the amount of such Letter of Credit, the name and address of the beneficiary thereof, the purpose and nature of the requested Letter of Credit and such other information as shall be necessary to prepare, amend, extend, reinstate or renew such Letter of Credit. If requested by the applicable L/C Issuer, the Borrower also shall submit a Letter of Credit Application and a reimbursement agreement on such L/C Issuer's standard form in connection with any request for a Letter of Credit. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any Letter of Credit Application, any reimbursement agreement, any other Issuer Document or any other agreement submitted by the Borrower to, or entered into by the Borrower with, any L/C Issuer relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(ii) If the Borrower so requests in any applicable Letter of Credit Application (or the amendment of an outstanding Letter of Credit), the applicable L/C Issuer may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided, that, any such Auto-Extension Letter of Credit shall permit such L/C Issuer to prevent any such extension at least once in each twelve (12)-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve (12)-month period to be agreed upon by the Borrower and such L/C Issuer at the time such Letter of Credit is issued. Unless otherwise directed by the applicable L/C Issuer, the Borrower shall not be required to make a specific request to such L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Revolving Lenders shall be deemed to have authorized (but may not require) the applicable L/C Issuer to permit the extension of such Letter of Credit at any time to an expiration date not later than the date permitted pursuant to Section 2.03(d); provided, that, such L/C Issuer shall not (A) permit any such extension if (1) such L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its extended form under the terms hereof (except that the expiration date may be extended to a date that is no more than one (1) year from the then-current expiration date), or (2) it has received notice (which may be in writing or by telephone (if promptly confirmed in writing)) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date (or, in the case of any Existing JPMorgan Letter of Credit, on or before the day that is fifteen (15) days before the Non-Extension Notice Date) from the Administrative Agent that the Required Revolving Lenders have elected not to permit such extension, or (B) be obligated to permit such extension if it has received notice (which may be in writing or by telephone (if promptly confirmed in writing)) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date (or, in the case of any Existing

JPMorgan Letter of Credit, on or before the day that is fifteen (15) days before the Non-Extension Notice Date) from the Administrative Agent, any Revolving Lender or the Borrower that one or more of the applicable conditions set forth in Section 4.02 is not then satisfied, and in each such case directing such L/C Issuer not to permit such extension.

(c) Limitations on Amounts, Issuance and Amendment.

(i) A Letter of Credit shall be issued, amended, extended, reinstated or renewed only if (and upon issuance, amendment, extension, reinstatement or renewal of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, extension, reinstatement or renewal (A) the aggregate amount of the outstanding Letters of Credit issued by each L/C Issuer shall not exceed such L/C Issuer's L/C Commitment, (B) the aggregate L/C Obligations shall not exceed the Letter of Credit Sublimit, (C) the Revolving Exposure of any Revolving Lender shall not exceed such Revolving Lender's Revolving Commitment, and (D) the Total Revolving Credit Exposure shall not exceed the Revolving Facility.

(ii) No L/C Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing the Letter of Credit, or any Law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which such L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of such L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and such L/C Issuer, such Letter of Credit is in an initial stated amount less than \$100,000, in the case of a commercial Letter of Credit or \$500,000, in the case of a standby Letter of Credit;

(D) such Letter of Credit is to be denominated in a currency other than Dollars;

(E) any Revolving Lender is at that time a Defaulting Lender, unless such L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to such L/C Issuer (in its sole discretion) with the Borrower or such Revolving Lender to eliminate such L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then

proposed to be issued or that Letter of Credit and all other L/C Obligations as to which such L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion; or

(F) such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder.

(iii) No L/C Issuer shall be under any obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to the Letter of Credit.

(d) Expiration Date. Each Letter of Credit shall have a stated expiration date no later than the earlier of: (i) the date twelve (12) months after the date of the issuance of such Letter of Credit (or, in the case of any extension of the expiration date thereof, whether automatic or by amendment, twelve (12) months after the then current expiration date of such Letter of Credit); and (ii) the Letter of Credit Expiration Date; provided, that, it is understood and agreed that (A) any Existing-Letter of Credit may have a stated expiration date later than twelve (12) months after the issuance or renewal thereof, so long as the (1) such stated expiration date is not later than forty-two (42) months after the date of the issuance or renewal, as applicable, of such Letter of Credit, (2) the applicable L/C Issuer has agreed to such stated expiration date, and (3) such stated expiration date is not later than the Letter of Credit Expiration Date, and (B) to the extent agreed by the applicable L/C Issuer in its sole discretion, the foregoing provisions of this Section 2.03(d) shall not apply to any Letter of Credit that has otherwise been Cash Collateralized or backstopped, in each case on terms satisfactory to such L/C Issuer.

(e) Participations.

(i) By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount or extending the expiration date thereof), and without any further action on the part of the applicable L/C Issuer or the Lenders, such L/C Issuer hereby grants to each Revolving Lender, and each Revolving Lender hereby acquires from such L/C Issuer, a participation in such Letter of Credit equal to such Revolving Lender's Applicable Revolving Percentage of the aggregate amount available to be drawn under such Letter of Credit. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations pursuant to this Section 2.03(e)(i) in respect of Letters of Credit is absolute, unconditional and irrevocable and shall not be affected by any circumstance whatsoever, including any amendment, extension, reinstatement or renewal of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Revolving Facility. Each Revolving Lender further acknowledges and agrees that its participation in each Letter of Credit will be automatically adjusted to reflect such Revolving Lender's Applicable Revolving Percentage of the aggregate amount available to be drawn under such Letter of Credit at each time such Revolving Lender's Revolving Commitment is amended pursuant to the provisions of this Agreement.

(ii) In consideration and in furtherance of the foregoing, upon receipt of any Non-Reimbursement Notice, each Revolving Lender hereby absolutely, unconditionally and irrevocably agrees to pay to the Administrative Agent, for account of the applicable L/C Issuer, such Revolving Lender's Applicable Revolving Percentage of each L/C Disbursement made by such L/C Issuer not later than 10:00 a.m. on the Business Day

specified in such Non-Reimbursement Notice, until such L/C Disbursement is reimbursed by the Borrower or at any time after any reimbursement payment is required to be refunded to the Borrower for any reason, including after the Revolving Facility Maturity Date. Such payment shall be made without any offset, abatement, withholding or reduction whatsoever and shall otherwise be made in the same manner as provided in Section 2.02 with respect to Revolving Loans made by such Lender (and Section 2.02 shall apply, mutatis mutandis, to the payment obligations of the Revolving Lenders pursuant to this Section 2.03(e)(ii)). The Administrative Agent shall promptly pay to the applicable L/C Issuer the amounts so received by it from the Revolving Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to Section 2.03(f), the Administrative Agent shall distribute such payment to the applicable L/C Issuer or, to the extent that the Revolving Lenders have made payments pursuant to this Section 2.03(e) to reimburse such L/C Issuer, then to such Revolving Lenders and such L/C Issuer as their interests may appear. Any payment made by a Revolving Lender pursuant to this Section 2.03(e) to reimburse an L/C Issuer for any L/C Disbursement (other than, for the avoidance of doubt, any Revolving Loan made by a Revolving Lender pursuant to the first proviso set forth in Section 2.03(f)) shall not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such L/C Disbursement.

(iii) If any Revolving Lender fails to make available to the Administrative Agent for the account of an L/C Issuer any amount required to be paid by such Revolving Lender pursuant to the foregoing provisions of Section 2.03(e)(ii), then, without limiting the other provisions of this Agreement, such L/C Issuer shall be entitled to recover from such Revolving Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by such L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by such L/C Issuer in connection with the foregoing. A certificate of an L/C Issuer submitted to any Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this Section 2.03(e)(iii) shall be conclusive absent manifest error.

(f) Reimbursement. If any L/C Issuer shall make any L/C Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such L/C Issuer in respect of such L/C Disbursement by paying to the Administrative Agent an amount equal to such L/C Disbursement not later than 11:00 a.m. on (i) the Business Day that the Borrower receives notice of such L/C Disbursement, if such notice is received prior to 9:00 a.m., or (ii) the Business Day immediately following the day that the Borrower receives such notice, if such notice is not received prior to such time; provided, that, the Borrower may, subject to the conditions to borrowing set forth herein (other than the minimums and multiples required for Base Rate Loans pursuant to Section 2.02), request in accordance with Section 2.02 that such payment be financed with a Revolving Borrowing of Base Rate Loans in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting Revolving Borrowing of Base Rate Loans. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Revolving Lender of the applicable L/C Disbursement, the payment then due from the Borrower in respect thereof (the "Unreimbursed Amount") and such Revolving Lender's Applicable Revolving Percentage thereof (each such notice, a "Non-Reimbursement Notice"). Promptly upon receipt of any Non-Reimbursement Notice, each Revolving Lender shall pay to the Administrative Agent its Applicable Revolving

Percentage of the Unreimbursed Amount pursuant to Section 2.03(e)(ii), subject to the amount of the unutilized portion of the Revolving Facility. Any notice given by an L/C Issuer or the Administrative Agent pursuant to this Section 2.03(f) may be given by telephone if promptly confirmed in writing; provided, that, the lack of such a prompt confirmation shall not affect the conclusiveness or binding effect of such notice.

(g) Obligations Absolute. The Borrower's obligation to reimburse L/C Disbursements as provided in Section 2.03(f) shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of:

(i) any lack of validity or enforceability of this Agreement, any other Loan Document or any Letter of Credit, or any term or provision herein or therein;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrower or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), any L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement in such draft or other document being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) waiver by the applicable L/C Issuer of any requirement that exists for such L/C Issuer's protection and not the protection of the Borrower or any waiver by the applicable L/C Issuer which does not in fact materially prejudice the Borrower;

(v) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;

(vi) any payment made by the applicable L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under, such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

(vii) payment by the applicable L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the applicable L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(viii) any other event or circumstance, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.03, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder.

(h) Examination. The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will promptly notify the applicable L/C Issuer. The Borrower shall be conclusively deemed to have waived any such claim against the applicable L/C Issuer and its correspondents unless such notice is given as aforesaid.

(i) Liability. None of the Administrative Agent, any Lender, any L/C Issuer, or any of their respective Related Parties shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit by any L/C Issuer or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in Section 2.03(g)), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms, any error in translation or any consequence arising from causes beyond the control of the applicable L/C Issuer; provided, that, the foregoing shall not be construed to excuse an L/C Issuer from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable Law) suffered by the Borrower that are (x) caused by such L/C Issuer's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof, or (y) determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, willful misconduct or bad faith of such L/C Issuer. The parties hereto expressly agree that, in the absence of gross negligence, willful misconduct or bad faith on the part of an L/C Issuer (as finally determined by a court of competent jurisdiction), such L/C Issuer shall be deemed to have exercised care in each such determination, and that:

(i) such L/C Issuer may replace a purportedly lost, stolen, or destroyed original Letter of Credit or missing amendment thereto with a certified true copy marked as such or waive a requirement for its presentation;

(ii) such L/C Issuer may accept documents that appear on their face to be in substantial compliance with the terms of a Letter of Credit without responsibility for further investigation, regardless of any notice or information to the contrary, and may make payment upon presentation of documents that appear on their face to be in substantial compliance with the terms of such Letter of Credit and without regard to any non-documentary condition in such Letter of Credit;

(iii) such L/C Issuer shall have the right, in its sole discretion, to decline to accept such documents and to make such payment if such documents are not in strict compliance with the terms of such Letter of Credit; and

(iv) this sentence shall establish the standard of care to be exercised by such L/C Issuer when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof (and the parties hereto hereby waive, to the extent permitted by applicable Law, any standard of care inconsistent with the foregoing).

Without limiting the foregoing, none of the Administrative Agent, any Lender, any L/C Issuer, or any of their respective Related Parties shall have any liability or responsibility by reason of (A) any presentation that includes forged or fraudulent documents or that is otherwise

affected by the fraudulent, bad faith, or illegal conduct of the beneficiary or other Person, (B) such L/C Issuer declining to take-up documents and make payment, (C) against documents that are fraudulent, forged, or for other reasons by which that it is entitled not to honor, (D) following the Borrower's waiver of discrepancies with respect to such documents or request for honor of such documents, or (E) such L/C Issuer retaining proceeds of a Letter of Credit based on an apparently applicable attachment order, blocking regulation, or third-party claim notified to such L/C Issuer.

(j) Applicability of ISP and UCP. Unless otherwise expressly agreed by the applicable L/C Issuer and the Borrower when a Letter of Credit is issued by it (including any such agreement applicable to an Existing Letter of Credit), (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the UCP shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, no L/C Issuer shall be responsible to the Borrower for, and each L/C Issuer's rights and remedies against the Borrower shall not be impaired by, any action or inaction of such L/C Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where such L/C Issuer or the beneficiary is located, the practice stated in the ISP or the UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade – International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(k) Benefits. Each L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each L/C Issuer shall have all of the benefits and immunities (i) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by such L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included such L/C Issuer with respect to such acts or omissions, and (ii) as additionally provided herein with respect to such L/C Issuer.

(l) Letter of Credit Fees. The Borrower shall pay to the Administrative Agent for the account of each Revolving Lender in accordance with its Applicable Revolving Percentage a Letter of Credit fee (the "Letter of Credit Fee") (i) for each commercial Letter of Credit equal to the Applicable Rate times the maximum stated amount of such Letter of Credit and (ii) for each standby Letter of Credit equal to the Applicable Rate times the daily amount available to be drawn under such Letter of Credit. For purposes of computing the daily amount available to be drawn under any standby Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be (A) payable on the seventh (7th) Business Day following the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit and (B) accrued through and including the last day of each calendar quarter in arrears. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Revolving Lenders, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(m) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuers. The Borrower shall pay directly to each L/C Issuer, for its own account, a fronting fee (i) with

respect to each commercial Letter of Credit, equal to the rate per annum equal to the percentage separately agreed upon between the Borrower and such L/C Issuer times the maximum stated amount of such Letter of Credit, and payable upon the issuance thereof, (ii) with respect to any amendment of a commercial Letter of Credit increasing the amount of such Letter of Credit, at a rate separately agreed between the Borrower and such L/C Issuer, computed on the amount of such increase, and payable upon the effectiveness of such amendment, and (iii) with respect to each standby Letter of Credit, at the rate per annum equal to the percentage separately agreed upon between the Borrower and such L/C Issuer, computed on the daily amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable no later than the tenth (10th) Business Day after the end of each March, June, September and December in the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Revolving Facility Maturity Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, the Borrower shall pay directly to each L/C Issuer, for its own account, the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of such L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(n) Disbursement Procedures. Each L/C Issuer shall, within the time allowed by applicable Laws or the specific terms of the Letter of Credit following its receipt thereof, examine all documents purporting to represent a demand for payment under such Letter of Credit. Each L/C Issuer shall promptly after such examination notify the Administrative Agent and the Borrower in writing of such demand for payment if such L/C Issuer has made or will make an L/C Disbursement thereunder; provided, that, any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse such L/C Issuer and the Revolving Lenders with respect to any such L/C Disbursement.

(o) Interim Interest. If an L/C Issuer shall make any L/C Disbursement, then, unless the Borrower shall reimburse such L/C Disbursement in full on the date such L/C Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such L/C Disbursement is made to but excluding the date that the Borrower reimburses such L/C Disbursement, at the rate per annum then applicable to Base Rate Loans; provided, that, if the Borrower fails to reimburse such L/C Disbursement when due pursuant to Section 2.03(f), then Section 2.08(b) shall apply. Interest accrued pursuant to this Section 2.03(o) shall be for account of the applicable L/C Issuer, except that interest accrued on and after the date of payment by any Revolving Lender pursuant to Section 2.03(f) to reimburse such L/C Issuer shall be for account of such Revolving Lender to the extent of such payment.

(p) Replacement of an L/C Issuer. An L/C Issuer may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced L/C Issuer and the successor L/C Issuer. The Administrative Agent shall notify the Revolving Lenders of any such replacement of an L/C Issuer. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced L/C Issuer. From and after the effective date of any such replacement, (i) the successor L/C Issuer shall have all the rights and obligations of an L/C Issuer under this Agreement with respect to Letters of Credit to be issued by it thereafter, and (ii) references herein to the term "L/C Issuer" shall be deemed to include such successor or any previous L/C Issuers, or such successor and all previous L/C Issuers, as the context shall require. After the replacement of an L/C Issuer hereunder, the replaced L/C Issuer shall remain a party hereto and shall continue to have all the rights and

obligations of an L/C Issuer under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(q) Cash Collateralization.

(i) If any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Revolving Lenders (or, if the maturity of the Revolving Loans has been accelerated, Revolving Lenders with L/C Obligations representing at least fifty percent (50%) of the total L/C Obligations) demanding the deposit of Cash Collateral pursuant to this Section 2.03(q), the Borrower shall immediately deposit into an account established and maintained on the books and records of the Administrative Agent an amount in cash equal to the Minimum Collateral Amount; provided, that, the obligation to deposit such Cash Collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default described in Section 8.01(f) or Section 8.01(g). Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the obligations of the Borrower under this Agreement. In addition, if any L/C Obligations remain outstanding after the expiration date specified in Section 2.03(d), the Borrower shall immediately deposit into an account established and maintained on the books and records of the Administrative Agent an amount in cash equal to the Minimum Collateral Amount as collateral for such L/C Obligations.

(ii) The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over any Cash Collateral deposited pursuant to this Section 2.03(q). Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in the accounts into which such Cash Collateral is deposited. Cash Collateral deposited pursuant to this Section 2.03(q) shall be applied by the Administrative Agent to reimburse the applicable L/C Issuers for L/C Disbursements for which it has not been reimbursed, together with related fees, costs, and customary processing charges, and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the L/C Obligations at such time or, if the maturity of the Revolving Loans has been accelerated (but subject to the consent of Revolving Lenders with L/C Obligations representing at least fifty percent (50%) of the total L/C Obligations), be applied to satisfy other obligations of the Borrower under this Agreement. If the Borrower is required to provide an amount of Cash Collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrower within three (3) Business Days after all Events of Default have been cured or waived.

(r) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse the applicable L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of a Subsidiary inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the business of such Subsidiary.

(s) Additional L/C Issuers. Any Lender may become an L/C Issuer upon receipt by the Administrative Agent of a fully executed Notice of Additional L/C Issuer which shall be signed by the Borrower, the Administrative Agent and such Lender. Each Lender that becomes an L/C Issuer pursuant to this Section 2.03(s) shall provide its L/C Commitment in such Notice of Additional L/C Issuer and upon the receipt by the Administrative Agent of the fully executed Notice of Additional L/C Issuer, the defined term L/C Commitment shall be deemed amended to incorporate the L/C Commitment of such new L/C Issuer.

(t) L/C Issuer Reports. Unless otherwise agreed by the Administrative Agent, each L/C Issuer shall: (i) prior to the time that such L/C Issuer amends, renews, increases, or extends a Letter of Credit, notify the Administrative Agent of the date of such amendment, renewal, increase, or extension and the stated amount of the applicable Letter of Credit after giving effect to such amendment, renewal, increase, or extension; (ii) on each Business Day on which such L/C Issuer makes a payment pursuant to a Letter of Credit, notify the Administrative Agent of the date and amount of such payment; (iii) on any Business Day on which the Borrower fails to reimburse a payment made pursuant to a Letter of Credit required to be reimbursed to such L/C Issuer on such day, notify the Administrative Agent of the date of such failure and the amount of such payment; (iv) on any Business Day on which any Letter of Credit issued by such L/C Issuer expires or is cancelled, notify the Administrative Agent of the date of such expiration or cancellation; and (v) for so long as any Letter of Credit issued by such L/C issuer is outstanding, deliver to the Administrative Agent, within five (5) Business Days after the beginning of each calendar month, a report (in form and substance satisfactory to the Administrative Agent) with respect to each Letter of Credit issued by such L/C Issuer.

2.04 Swingline Loans.

(a) The Swingline. Subject to the terms and conditions set forth herein, the Swingline Lender, in reliance upon the agreements of the other Lenders set forth in this Section 2.04, may in its sole discretion make loans to the Borrower (each such loan, a "Swingline Loan"). Each such Swingline Loan may be made, subject to the terms and conditions set forth herein, to the Borrower, in Dollars, from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of the Swingline Sublimit; provided, that, (i) after giving effect to any Swingline Loan, (A) the Total Revolving Outstandings shall not exceed the Revolving Facility, (B) the Revolving Exposure of any Revolving Lender shall not exceed such Lender's Revolving Commitment, and (C) the aggregate amount of all Swingline Loans outstanding shall not exceed the Swingline Commitment, (ii) the Borrower shall not use the proceeds of any Swingline Loan to refinance any outstanding Swingline Loan, and (iii) the Swingline Lender shall not be under any obligation to make any Swingline Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by such Credit Extension may have, Fronting Exposure. Within the foregoing limits, and subject to the other terms and conditions hereof, the Borrower may borrow Swingline Loans under this Section 2.04, prepay Swingline Loans under Section 2.05, and reborrow Swingline Loans under this Section 2.04. Immediately upon the making of a Swingline Loan, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swingline Lender a risk participation in such Swingline Loan in an amount equal to the product of such Revolving Lender's Applicable Revolving Percentage times the amount of such Swingline Loan.

(b) Borrowing Procedures. Each Swingline Borrowing shall be made upon the Borrower's irrevocable notice to the Swingline Lender and the Administrative Agent, which may be given by telephone or a Swingline Loan Notice; provided, that, any telephonic notice must be

confirmed promptly by delivery to the Swingline Lender and the Administrative Agent of a Swingline Loan Notice. Each such Swingline Loan Notice must be received by the Swingline Lender and the Administrative Agent not later than 10:00 a.m. on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum of \$100,000, and (ii) the requested date of the Swingline Borrowing (which shall be a Business Day). Promptly after receipt by the Swingline Lender of any Swingline Loan Notice, the Swingline Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swingline Loan Notice and, if not, the Swingline Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Swingline Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Revolving Lender) prior to 11:00 a.m. on the date of the proposed Swingline Borrowing (A) directing the Swingline Lender not to make such Swingline Loan as a result of the limitations set forth in the proviso to the second sentence of Section 2.04(a), or (B) that one or more of the applicable conditions specified in Article IV is not then satisfied, then, subject to the terms and conditions hereof, the Swingline Lender may make the amount of its Swingline Loan available to the Borrower at its office by crediting the account of the Borrower on the books of the Swingline Lender in immediately available funds.

(c) Refinancing of Swingline Loans.

(i) The Swingline Lender at any time in its sole discretion may request, on behalf of the Borrower (which hereby irrevocably authorizes the Swingline Lender to so request on its behalf), that each Revolving Lender make a Revolving Loan that is a Base Rate Loan in an amount equal to such Revolving Lender's Applicable Revolving Percentage of the amount of Swingline Loans then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Base Rate Loans, but subject to the unutilized portion of the Revolving Facility and the conditions set forth in Section 4.02.

The Swingline Lender shall furnish the Borrower with a copy of the applicable Loan Notice promptly after delivering such notice to the Administrative Agent. Each Revolving Lender shall make an amount equal to its Applicable Revolving Percentage of the amount specified in such Loan Notice available to the Administrative Agent in immediately available funds for the account of the Swingline Lender at the Administrative Agent's Office not later than 10:00 a.m. on the day specified in such Loan Notice, whereupon, subject to Section 2.04(c)(ii), each Revolving Lender that so makes funds available shall be deemed to have made a Revolving Loan that is a Base Rate Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the Swingline Lender.

(ii) If for any reason any Swingline Loan cannot be refinanced by such a Revolving Borrowing in accordance with Section 2.04(c)(i) (including the failure to satisfy the conditions set forth in Section 4.02), the request for Base Rate Loans submitted by the Swingline Lender as set forth herein shall be deemed to be a request by the Swingline Lender that each of the Revolving Lenders fund its risk participation in the relevant Swingline Loan and each Revolving Lender's payment to the Administrative Agent for the account of the Swingline Lender pursuant to Section 2.04(c)(i) shall be deemed payment in respect of such participation.

(iii) If any Revolving Lender fails to make available to the Administrative Agent for the account of the Swingline Lender any amount required to be paid by such

Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(i), the Swingline Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swingline Lender at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the Swingline Lender in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Swingline Lender in connection with the foregoing.

If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Revolving Loan included in the relevant Revolving Borrowing or funded participation in the relevant Swingline Loan, as the case may be. A certificate of the Swingline Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Revolving Lender's obligation to make Revolving Loans or to purchase and fund risk participations in Swingline Loans pursuant to this Section 2.04(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the Swingline Lender, the Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, that, each Revolving Lender's obligation to make Revolving Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the Borrower of a Loan Notice). No such funding of risk participations shall relieve or otherwise impair the obligation of the Borrower to repay Swingline Loans, together with interest as provided herein.

(d) Repayment of Participations.

(i) At any time after any Revolving Lender has purchased and funded a risk participation in a Swingline Loan, if the Swingline Lender receives any payment on account of such Swingline Loan, the Swingline Lender will distribute to such Revolving Lender its Applicable Revolving Percentage thereof in the same funds as those received by the Swingline Lender.

(ii) If any payment received by the Swingline Lender in respect of principal or interest on any Swingline Loan is required to be returned by the Swingline Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the Swingline Lender in its discretion), each Revolving Lender shall pay to the Swingline Lender its Applicable Revolving Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the Federal Funds Rate. The Administrative Agent will make such demand upon the request of the Swingline Lender. The obligations of the Lenders under this clause (ii) shall survive the Facility Termination Date and the termination of this Agreement.

(e) Interest for Account of Swingline Lender. The Swingline Lender shall be responsible for invoicing the Borrower for interest on the Swingline Loans. Until each Revolving Lender funds its Base Rate Loan or risk participation pursuant to this Section 2.04 to refinance such Revolving Lender's Applicable Revolving Percentage of any Swingline Loan, interest in

respect of such Applicable Revolving Percentage shall be solely for the account of the Swingline Lender.

(f) Payments Directly to Swingline Lender. The Borrower shall make all payments of principal and interest in respect of the Swingline Loans directly to the Swingline Lender.

2.05 Prepayments.

(a) Optional.

(i) The Borrower may, upon notice to the Administrative Agent pursuant to delivery to the Administrative Agent of a Notice of Loan Prepayment, at any time or from time to time voluntarily prepay Incremental Term Loans and/or Revolving Loans in whole or in part without premium or penalty (subject to Section 3.05); provided, that, unless otherwise agreed by the Administrative Agent: (A) such notice must be received by the Administrative Agent not later than 10:00 a.m. (1) two (2) Business Days prior to any date of prepayment of Term SOFR Loans, and (2) on the date of prepayment of Base Rate Loans; (B) any prepayment of Term SOFR Loans shall be in a principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); and (C) any prepayment of Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding). Each such notice shall specify the date and amount of such prepayment and the Type(s) of Loans to be prepaid and, if Term SOFR Loans are to be prepaid, the Interest Period(s) of such Loans.

The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's ratable portion of such prepayment (based on such Lender's Applicable Percentage in respect of the relevant Facility). If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Term SOFR Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. ~~Each prepayment of the outstanding Term Loans pursuant to this Section 2.05(a) shall be applied to the principal repayment installments thereof as directed by the Borrower (or, if no such direction is provided by the Borrower, such prepayment shall be applied to all then-existing Term Loans on a pro rata basis, and, with respect to each then-existing Term Facility, to the principal repayment installments thereof in inverse order of maturity).~~ Subject to Section 2.15, such prepayments shall be paid to the Lenders in accordance with their respective Applicable Percentages in respect of each of the relevant Facilities. Each prepayment of Incremental Term Loans under any Incremental Term Facility shall be applied to the principal repayment installments thereof as set forth in the Incremental Term Facility Agreement entered into with respect to such Incremental Term Facility.

(ii) The Borrower may, upon notice to the Swingline Lender pursuant to delivery to the Swingline Lender of a Notice of Loan Prepayment (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swingline Loans in whole or in part without premium or penalty; provided, that, unless otherwise agreed by the Swingline Lender, (A) such notice must be received by the Swingline Lender and the Administrative Agent not later than 10:00 a.m. on the date of the prepayment, and (B) any such prepayment shall be in a minimum principal amount of \$100,000 or a whole multiple of \$100,000 in excess thereof (or, if less, the entire

principal thereof then outstanding). Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(b) Mandatory.

~~(i) Dispositions and Involuntary Dispositions. The Borrower shall prepay the Loans as provided in Section 2.05(b)(iii) in an aggregate amount equal to one hundred percent (100%) of the Net Cash Proceeds received by any Loan Party or any Subsidiary from all Dispositions (other than Permitted Transfers) and all Involuntary Dispositions, within three (3) Business Days of the date of such Disposition or such Involuntary Disposition; provided, that: (A) the Borrower shall not be required to prepay the Loans pursuant to this Section 2.05(b)(i) until the Net Cash Proceeds received by the Borrower and its Subsidiaries in connection with all Dispositions (other than Permitted Transfers) or Involuntary Dispositions in any fiscal year of the Borrower is equal to or exceeds \$10,000,000; and (B) such Net Cash Proceeds shall not be required to be so applied if, at the election of the Borrower (as notified by the Borrower to the Administrative Agent on or prior to the date of such Disposition or such Involuntary Disposition), so long as no Event of Default shall have occurred at the time of such Disposition or such Involuntary Disposition or at the time of such reinvestment, such Loan Party or such Subsidiary reinvests all or any portion of such Net Cash Proceeds in Eligible Assets within one hundred eighty (180) days of the date of such Disposition or such Involuntary Disposition (or to the extent such Loan Party or such Subsidiary commits within such one hundred eighty (180)-day period to make such reinvestment, within one hundred eighty (180) days after such one hundred eighty (180)-day period); provided, further, that, if such Net Cash Proceeds shall have not been so reinvested by the end of such period(s), such Net Cash Proceeds shall be immediately applied to prepay the Loans as provided in Section 2.05(b)(iii).~~

~~(i) [Reserved].~~

~~(ii) Debt Issuance. Promptly upon the receipt by any Loan Party or any Subsidiary of the Net Cash Proceeds of any Debt Issuance, the Borrower shall prepay the Loans as provided in Section 2.05(b)(iii) in an aggregate amount equal to one hundred percent (100%) of such Net Cash Proceeds. [Reserved].~~

~~(iii) Application of Payments. Each prepayment required pursuant to Section 2.05(b)(i) or Section 2.05(b)(ii) shall be applied, first, to the principal repayment installments of the then-existing Term A Loans in inverse order of maturity, second, to the outstanding Swingline Loans, and third, to the outstanding Revolving Loans (without a corresponding permanent reduction of the Revolving Facility). Subject to Section 2.15, such prepayments shall be paid to the Lenders in accordance with their respective Applicable Percentages in respect of the relevant Facilities. [Reserved].~~

(iv) Revolving Outstandings. If for any reason the Total Revolving Outstandings at any time exceed the Revolving Facility at such time, the Borrower shall immediately prepay Revolving Loans, Swingline Loans and Unreimbursed Amounts (together with all accrued but unpaid interest thereon) and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided, that, the Borrower shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section

2.05(b)(iv) unless, after the prepayment of the Revolving Loans and Swingline Loans, the Total Revolving Outstandings at such time exceed the Revolving Facility at such time.

Within the parameters of the applications set forth above, prepayments pursuant to this Section 2.05(b) shall be applied first to Base Rate Loans and then to Term SOFR Loans in direct order of Interest Period maturities. All prepayments under this Section 2.05(b) shall be subject to Section 3.05, but otherwise without premium or penalty, and shall be accompanied by interest on the principal amount prepaid through the date of prepayment.

2.06 Termination or Reduction of Commitments.

(a) Optional. The Borrower may, upon notice to the Administrative Agent, terminate the Revolving Facility, the Letter of Credit Sublimit or the Swingline Sublimit, or from time to time permanently reduce the Revolving Facility, the Letter of Credit Sublimit or the Swingline Sublimit; provided, that, unless otherwise agreed by the Administrative Agent, (i) any such notice shall be received by the Administrative Agent not later than 10:00 a.m. five (5) Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of \$10,000,000 or any whole multiple of \$1,000,000 in excess thereof, and (iii) the Borrower shall not terminate or reduce (A) the Revolving Facility if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Revolving Facility, (B) the Letter of Credit Sublimit if, after giving effect thereto, the Outstanding Amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit, or (C) the Swingline Sublimit if, after giving effect thereto and to any concurrent prepayments hereunder, the Outstanding Amount of Swingline Loans would exceed the Swingline Sublimit.

(b) Mandatory.

(i) ~~The aggregate Term A Commitments shall be automatically and permanently reduced to zero upon the Term A Borrowing to occur on the Closing Date. The~~If not terminated prior to such date, the Revolving Facility shall automatically terminate on the Revolving Facility Maturity Date.

(ii) If after giving effect to any reduction or termination of Revolving Facility under this Section 2.06, the Letter of Credit Sublimit or the Swingline Sublimit at such time exceeds the Revolving Facility at such time, the Letter of Credit Sublimit or the Swingline Sublimit, as the case may be, shall be automatically reduced by the amount of such excess.

(c) Application of Commitment Reductions; Payment of Fees. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Letter of Credit Sublimit, the Swingline Sublimit or the Revolving Facility under this Section 2.06. Upon any reduction of the Revolving Facility, the Revolving Commitment of each Revolving Lender shall be reduced by such Lender's Applicable Revolving Percentage of such reduction amount. All fees in respect of the Revolving Facility accrued until the effective date of any termination of the Revolving Facility shall be paid on the effective date of such termination.

2.07 Repayment of Loans.

(a) ~~Term A Loans. The Borrower shall repay to the Term A Lenders the outstanding principal amount of the Term A Loans in installments on the last Business Day of each March,~~

~~June, September and December (commencing on the last Business Day of June 2021) and on the Term A Facility Maturity Date, in each case, in the respective amounts set forth in the table below (which amounts shall be reduced as a result of the application of prepayments in accordance with the order of priority set forth in Section 2.05), unless accelerated sooner pursuant to Section 8.02: [\[Reserved\]](#).~~

Payment Dates	Principal Amortization Payment (% of Principal Amount of Term A Loans Advanced on the Closing Date)
June, 2021	1.250%
September, 2021	1.250%
December, 2021	1.250%
March, 2022	1.250%
June, 2022	1.250%
September, 2022	1.250%
December, 2022	1.250%
March, 2023	1.250%
June, 2023	1.250%
September, 2023	1.250%
December, 2023	1.250%
March, 2024	1.250%
June, 2024	1.250%
September, 2024	1.250%
December, 2024	1.250%
March, 2025	1.250%
June, 2025	1.250%
September, 2025	1.250%
December, 2025	1.250%
Term A Facility Maturity Date	Outstanding Principal Balance of Term A Loans

~~provided, that, the final principal repayment installment of the Term A Loans shall be repaid on the Term A Facility Maturity Date and in any event shall be in an amount equal to the aggregate principal amount of all Term A Loans outstanding on such date.~~

(b) Revolving Loans. The Borrower shall repay to the Revolving Lenders on the Revolving Facility Maturity Date the aggregate principal amount of all Revolving Loans outstanding on such date.

(c) Swingline Loans. The Borrower shall repay each Swingline Loan on the earlier to occur of (i) the date ten (10) Business Days after such Swingline Loan is made, and (ii) the Revolving Facility Maturity Date.



2.08 Interest and Default Rate.

(a) Interest. Subject to the provisions of Section 2.08(b), (i) each Term SOFR Loan shall bear interest on the outstanding principal amount thereof for each Interest Period from the applicable borrowing date at a rate per annum equal to Term SOFR for such Interest Period plus the Applicable Rate for Term SOFR Loans; (ii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for Base Rate Loans; and (iii) each Swingline Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for Base Rate Loans. Subject to the definition of “Base Rate,” to the extent that any calculation of interest or any fee required to be paid under this Agreement shall be based on (or result in) a calculation that is less than zero, such calculation shall be deemed zero for purposes of this Agreement.

(b) Default Rate.

(i) If (A) any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, or (B) an Event of Default pursuant to Section 8.01(f) or Section 8.01(g) exists, all outstanding Obligations shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by any Loan Party under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists, all outstanding Obligations (including Letter of Credit Fees) shall accrue at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest Payments. Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees.

In addition to certain fees described in Sections 2.03(l) and (m):

(a) Commitment Fee. The Borrower shall pay to the Administrative Agent for the account of each Revolving Lender in accordance with its Applicable Revolving Percentage, a commitment fee (the “Commitment Fee”) equal to the Applicable Rate times the actual daily

amount by which the Revolving Facility exceeds the sum of (i) the Outstanding Amount of Revolving Loans, plus (ii) the Outstanding Amount of L/C Obligations, subject to adjustment as provided in Section 2.15. For the avoidance of doubt, the Outstanding Amount of Swingline Loans shall not be counted towards or considered usage of the Revolving Facility for purposes of determining the Commitment Fee. The Commitment Fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the seventh (7th) Business Day following the end of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the last day of the Availability Period. The Commitment Fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Other Fees.

(i) The Borrower shall pay to the Administrative Agent and BofA Securities, for their own respective accounts, fees in the amounts and at the times specified in the Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(ii) The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate.

(a) Computation of Interest and Fees. All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to Term SOFR) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365 day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid; provided, that, any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one (1) day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) Financial Statement Adjustments or Restatements. If, as a result of any restatement of or other adjustment to the financial statements of the Borrower and its Subsidiaries or for any other reason, the Borrower or the Lenders determine that (i) the Consolidated Leverage Ratio as calculated by the Borrower as of any applicable date was inaccurate, and (ii) a proper calculation of the Consolidated Leverage Ratio would have resulted in higher pricing and fees for such period, the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the applicable Lenders or the applicable L/C Issuers, as the case may be, promptly on demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, automatically and without further action by the Administrative Agent, any Lender or any L/C Issuer), an amount equal to the excess of the amount of interest and fees that should have been paid for such period over the amount of interest and fees actually paid for

such period. This Section 2.10(b) shall not limit the rights of the Administrative Agent, any Lender or any L/C Issuer, as the case may be, under any provision of this Agreement to payment of any Obligations hereunder at the Default Rate or under Article VIII. The Borrower's obligations under this Section 2.10(b) shall survive the termination of the Facility Termination Date.

2.11 Evidence of Debt.

(a) Maintenance of Accounts. The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender in the ordinary course of business. The Administrative Agent shall maintain the Register in accordance with Section 11.06(c). The accounts or records maintained by each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the Register, the Register shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a promissory note in the form of Exhibit I (each, a "Note"), which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) Maintenance of Records. In addition to the accounts and records referred to in Section 2.11(a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swingline Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 11:00 a.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage in respect of the relevant Facility (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 11:00 a.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. Except as otherwise specifically provided for in this Agreement, if any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Term SOFR Loans (or, in the case of any Borrowing of Base Rate

Loans, prior to 9:00 a.m. on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or any L/C Issuer hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable L/C Issuer, as the case may be, the amount due. With respect to any payment that the Administrative Agent makes for the account of the Lenders or any L/C Issuer hereunder as to which the Administrative Agent determines (which determination shall be conclusive absent manifest error) that any of the following applies (such payment referred to as the "Rescindable Amount"): (A) the Borrower has not in fact made such payment; (B) the Administrative Agent has made a payment in excess of the amount so paid by the Borrower (whether or not then owed); or (C) the Administrative Agent has for any reason otherwise erroneously made such payment; then each of the Lenders or the applicable L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount so distributed to such Lender or such L/C Issuer, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this Section 2.12(b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Incremental Term Loans and Revolving Loans, to fund participations in Letters of Credit and Swingline Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 11.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(f) Pro Rata Treatment. Except to the extent otherwise provided herein: (i) each Borrowing (other than Swingline Borrowings) shall be made from the Appropriate Lenders, each payment of fees under Section 2.03(l), Section 2.03(m) and Section 2.09 shall be made for account of the Appropriate Lenders, and each termination or reduction of the amount of the Commitments shall be applied to the respective Commitments of the Lenders, pro rata according to the amounts of their respective Commitments; (ii) each Borrowing shall be allocated pro rata among the Lenders according to the amounts of their respective Commitments (in the case of the making of Revolving Loans) or their respective Loans that are to be included in such Borrowing (in the case of conversions and continuations of Loans); (iii) each payment or prepayment of principal of Loans by the Borrower shall be made for account of the Appropriate Lenders pro rata in accordance with the respective unpaid principal amounts of the Loans held by them; and (iv) each payment of interest on Loans by the Borrower shall be made for account of the Appropriate Lenders pro rata in accordance with the amounts of interest on such Loans then due and payable to the respective Appropriate Lenders.

2.13 Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of (a) Obligations in respect of any of the Facilities due and payable to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations due and payable to such Lender at such time, to (ii) the aggregate amount of the Obligations in respect of the Facilities due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Facilities due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time, or (b) Obligations in respect of any of the Facilities owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations owing (but not due and payable) to such Lender at such time, to (ii) the aggregate amount of the Obligations in respect of the Facilities owing (but not due and payable) to all Lenders hereunder and

under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Facilities owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all of the Lenders at such time, then, in each case under clauses (a) and (b) above, the Lender receiving such greater proportion shall (A) notify the Administrative Agent of such fact, and (B) purchase (for cash at face value) participations in the Loans and subparticipations in L/C Obligations and Swingline Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of Obligations in respect of the Facilities then due and payable to the Lenders or owing (but not due and payable) to the Lenders, as the case may be; provided, that: (1) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and (2) the provisions of this Section 2.13 shall not be construed to apply to (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.14, or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations or Swingline Loans to any assignee or participant, other than an assignment to any Loan Party or any Affiliate thereof (as to which the provisions of this Section 2.13 shall apply). Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.14 Cash Collateral.

(a) Obligation to Cash Collateralize. At any time there shall exist a Defaulting Lender, within one (1) Business Day following the written request of the Administrative Agent or any L/C Issuer (with a copy to the Administrative Agent), the Borrower shall Cash Collateralize the L/C Issuers' Fronting Exposure with respect to such Defaulting Lender (determined after giving effect to Section 2.15(a)(iv) and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the Minimum Collateral Amount.

(b) Grant of Security Interest. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuers and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as Collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.14(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the applicable L/C Issuers as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (determined in the case of Cash Collateral provided pursuant to Section 2.15(a)(v), after giving effect to Section 2.15(a)(v) and any Cash Collateral provided by the Defaulting Lender). All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in one or more blocked, non-interest bearing deposit accounts at Bank of America. The Borrower shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.14 or Sections 2.03, 2.05, 2.15 or 8.02 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Revolving Lender that is a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Revolving Lender (or, as appropriate, its assignee following compliance with Section 11.06(b)(vi))), or (ii) the determination by the Administrative Agent and the applicable L/C Issuers that there exists excess Cash Collateral; provided, that, (A) any such release shall be without prejudice to, and any disbursement or other transfer of Cash Collateral shall be and remain subject to, any other Lien conferred under the Loan Documents and the other applicable provisions of the Loan Documents, and (B) the Person providing Cash Collateral and the applicable L/C Issuers may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in (A) the definitions of "Required Lenders" and "Required Revolving Lenders," and (B) Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any L/C Issuer or the Swingline Lender hereunder; third, to Cash Collateralize the L/C Issuers' Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.14; fourth, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to (A) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement, and (B) Cash Collateralize the L/C Issuers' future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.14; sixth, to the payment of any amounts owing to the Lenders, the L/C Issuers

or the Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, any L/C Issuer or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise as may be required under the Loan Documents in connection with any Lien conferred thereunder or directed by a court of competent jurisdiction; provided, that, if (1) such payment is a payment of the principal amount of any Loans or Unreimbursed Amounts in respect of which such Defaulting Lender has not fully funded its appropriate share, and (2) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.15(a)(v). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii), shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) Fees. No Defaulting Lender shall be entitled to receive any portion of the Commitment Fee payable under Section 2.09(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any portion of the Commitment Fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Letter of Credit Fees. Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Revolving Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(C) Defaulting Lender Fees. With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (B) above, the Borrower shall (1) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (2) pay to the applicable L/C Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuer's Fronting Exposure to such Defaulting Lender, and (3) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Revolving Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations

and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Revolving Percentages (calculated without regard to such Defaulting Lender's Revolving Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. Subject to Section 11.20, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swingline Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, (A) first, prepay Swingline Loans in an amount equal to the Swingline Lender's Fronting Exposure, and (B) second, Cash Collateralize the L/C Issuers' Fronting Exposure in accordance with the procedures set forth in Section 2.14.

(b) Defaulting Lender Cure. If the Borrower, the Administrative Agent, the Swingline Lender and the L/C Issuers agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.15(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided, that, no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; provided, further, that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) New Swingline Loans/Letters of Credit. So long as any Revolving Lender is a Defaulting Lender, (i) the Swingline Lender shall not be required to fund any Swingline Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swingline Loan, and (ii) the L/C Issuers shall not be required to issue, extend, increase, reinstate or renew any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

ARTICLE III

TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Defined Terms. For purposes of this Section 3.01, the term "applicable Law" includes FATCA and the term "Lender" includes each L/C Issuer.

(b) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes. Any and all payments by or on account of any obligation of any Loan Party under any

Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of an applicable Withholding Agent) require the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions and withholdings applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(c) Payment of Other Taxes by the Loan Parties. The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(d) Tax Indemnifications.

(i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(ii) Each Lender shall, and does hereby, severally indemnify and shall make payment in respect thereof within ten (10) days after demand therefor, (A) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (B) the Administrative Agent ~~and the Loan Parties, as applicable,~~ against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register, and (C) the Administrative Agent ~~and the Loan Parties, as applicable,~~ against any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent ~~or a Loan Party~~ in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this Section 3.01(d)(ii).

(e) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority, as provided in this Section 3.01, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) Status of Lenders; Tax Documentation.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding.

In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 3.01(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty, and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E (or W-8BEN, as applicable) establishing an exemption from, or

reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit J-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”), and (y) executed copies of IRS Form W-8BEN-E (or W-8BEN, as applicable); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E (or W-8BEN, as applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-2 or Exhibit J-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided, that, if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies (or originals, as required) of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

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

Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (f)(ii)(D), "FATCA" shall include any amendments made to FATCA after the Closing Date.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to such Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that, each Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 3.01(g), in no event will the applicable Recipient be required to pay any amount to such Loan Party pursuant to this Section 3.01(g) the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 3.01(g) shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its Taxes that it deems confidential) to any Loan Party or any other Person.

(h) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.02 Illegality.

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its Lending Office to perform any of its obligations hereunder or to make, maintain or fund or charge interest with respect to any Credit Extension, or to determine or charge interest rates based upon SOFR or Term SOFR, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (a) any obligation of such Lender to perform such obligations, to issue, make, maintain, fund or charge interest with respect to any such Credit Extension or to continue Term SOFR Loans or to convert Base Rate Loans to Term SOFR Loans shall be suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Term SOFR component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such

illegality, be determined by the Administrative Agent without reference to the Term SOFR component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (i) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Term SOFR Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Term SOFR component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Term SOFR Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term SOFR Loans, and (ii) if such notice asserts the illegality of such Lender determining or charging interest rates based upon SOFR or Term SOFR, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Term SOFR component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR or Term SOFR. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to [Section 3.05](#).

3.03 Inability to Determine Rates.

(a) If in connection with any request for a Term SOFR Loan or a conversion to or continuation thereof, (i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (A) no Successor Rate has been determined in accordance with [Section 3.03\(b\)](#), and the circumstances under [clause \(i\)](#) of [Section 3.03\(b\)](#) or the Scheduled Unavailability Date has occurred, or (B) adequate and reasonable means do not otherwise exist for determining Term SOFR for any requested Interest Period with respect to a proposed Term SOFR Loan or in connection with an existing or proposed Base Rate Loan, or (ii) the Administrative Agent or the Required Lenders determine that for any reason that Term SOFR for any requested Interest Period with respect to a proposed Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (1) the obligation of the Lenders to make or maintain Term SOFR Loans, [or to convert Base Rate Loans to Term SOFR Loans](#), shall be suspended (to the extent of the affected Term SOFR Loans or Interest Periods), and (2) in the event of a determination described in the preceding sentence with respect to the Term SOFR component of the Base Rate, the utilization of the Term SOFR component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (or, in the case of a determination by the Required Lenders described in [Section 3.03\(a\)\(ii\)](#), until the Administrative Agent upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (x) the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Term SOFR Loans (to the extent of the affected Term SOFR Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein, and (y) any outstanding Term SOFR Loans shall be deemed to have been converted to Base Rate Loans immediately at the end of their respective applicable Interest Periods.

(b) Notwithstanding anything to the contrary in this Agreement or any other Loan Document, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Borrower or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Borrower) that the Borrower or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining one month, three month and six month interest periods of Term SOFR, including because the Term SOFR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) CME or any successor administrator of the Term SOFR Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of Term SOFR, in each case acting in such capacity, has made a public statement identifying a specific date after which one month, three month and six month interest periods of Term SOFR or the Term SOFR Screen Rate shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of Dollar-denominated syndicated loans, or shall or will otherwise cease; provided, that, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent that will continue to provide such representative interest periods of Term SOFR after such specific date (the latest date on which one month, three month and six month interest periods of Term SOFR or the Term SOFR Screen Rate are no longer available permanently or indefinitely, the “Scheduled Unavailability Date”); or

then, on a date and time determined by the Administrative Agent (any such date, a “Term SOFR Replacement Date”), which date shall be at the end of an Interest Period or on the relevant Interest Payment Date, as applicable, for interest calculated and, solely with respect to clause (ii) above, no later than the Scheduled Unavailability Date, Term SOFR will be replaced hereunder and under any other Loan Document with Daily Simple SOFR, plus the SOFR Adjustment for any payment period for interest calculated that can be determined by the Administrative Agent, in each case, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document (the “Successor Rate”). If the Successor Rate is Daily Simple SOFR, plus the SOFR Adjustment, all interest payments will be payable on a monthly basis.

Notwithstanding anything to the contrary herein, (a) if the Administrative Agent determines that Daily Simple SOFR is not available on or prior to the Term SOFR Replacement Date, or (b) if the events or circumstances of the type described in Section 3.03(b)(i) or (ii) have occurred with respect to the Successor Rate then in effect, then, in each case, the Administrative Agent and the Borrower may amend this Agreement solely for the purpose of replacing Term SOFR or any then-current Successor Rate in accordance with this Section 3.03(b) at the end of any Interest Period, relevant Interest Payment Date or payment period for interest calculated, as applicable, with an alternative benchmark rate giving due consideration to any evolving or then-existing convention for similar Dollar-denominated credit facilities syndicated and agented in the United States for such alternative benchmark and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then-existing convention for similar Dollar-denominated credit facilities syndicated and agented in the United States for such benchmark, which adjustment or method for calculating such adjustment shall be published on an information service as selected by the Administrative Agent from time to time in its reasonable discretion and may be periodically updated. For the avoidance of doubt, any such proposed rate and adjustments, shall constitute a “Successor Rate”. Any such amendment shall become effective at 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

The Administrative Agent will promptly (in one or more notices) notify the Borrower and each Lender of the implementation of any Successor Rate. Any Successor Rate shall be applied in a manner consistent with market practice; provided, that, to the extent such market practice is not administratively feasible for the Administrative Agent, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent. Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than zero, such Successor Rate will be deemed to be zero for the purposes of this Agreement and the other Loan Documents.

In connection with the implementation of a Successor Rate, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement; provided, that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Borrower and the Lenders reasonably promptly after such amendment becomes effective.

For purposes of this Section 3.03(b), those Lenders that either have not made, or do not have an obligation under this Agreement to make, the relevant Loans in Dollars shall be excluded from any determination of Required Lenders.

3.04 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender or any L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or any L/C Issuer any other condition, cost or expense affecting this Agreement or Term SOFR Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or such L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or such L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or such L/C Issuer, the Borrower will pay to such Lender or such L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or any L/C Issuer determines that any Change in Law affecting such Lender or such L/C Issuer or any Lending Office of such Lender or such L/C Issuer or such Lender's or such L/C Issuer's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such L/C Issuer's capital or on the capital of such Lender's or such L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by such L/C Issuer, to a level below that which such Lender or such L/C Issuer or such Lender's or such L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such L/C Issuer's policies and the policies of such Lender's or such L/C Issuer's holding company with respect to capital adequacy and liquidity), then from time to time the Borrower will pay to such Lender or such L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such L/C Issuer or such Lender's or such L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or an L/C Issuer setting forth in reasonable detail the amount or amounts necessary to compensate such Lender or such L/C Issuer or its holding company, as the case may be, as specified in Section 3.04(a) or Section 3.04(b) and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender or such L/C Issuer, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) [Reserved].

(e) Delay in Requests. Failure or delay on the part of any Lender or any L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section 3.04 shall not constitute a waiver of such Lender's or such L/C Issuer's right to demand such compensation; provided, that, the Borrower shall not be required to compensate a Lender or an L/C Issuer pursuant to the foregoing provisions of this Section 3.04 for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender or such L/C Issuer, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof).

3.05 Compensation for Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Term SOFR Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Term SOFR Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a Term SOFR Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 11.13;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender, any L/C Issuer, or any Governmental Authority for the account of any Lender or any L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrower, such Lender or such L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or such L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or Section 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or such L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or such L/C Issuer, as the case may be. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or any L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrower may replace such Lender in accordance with Section 11.13.

3.07 Survival.

All of the Borrower's obligations under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder, resignation of the Administrative Agent and the Facility Termination Date.

ARTICLE IV

CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 ~~Conditions of Initial Credit Extension~~ [Reserved].

~~The effectiveness of this Agreement and the obligation of each L/C Issuer and each Lender to make its initial Credit Extension hereunder are subject to satisfaction (or waiver) of the following conditions precedent:~~

~~(a) Execution of Credit Agreement; Loan Documents. The Administrative Agent shall have received counterparts of this Agreement and each other Loan Document to be executed~~

and delivered on the Closing Date, in each case each executed (i) by a Responsible Officer of the signing Loan Party, and (ii) in the case of this Agreement, by each Lender.

~~(b) Organization Documents, Resolutions, Etc.—The Administrative Agent shall have received the following: (i) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the jurisdiction of its organization and certified by a Responsible Officer of such Loan Party to be true and correct as of the Closing Date; (ii) such certificates of resolutions or other action, incumbency certificates, and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may reasonably require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party; (iii) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its jurisdiction of organization.~~

~~(c) Legal Opinions of Counsel.—The Administrative Agent shall have received an opinion or opinions of counsel for the Loan Parties, dated the Closing Date and addressed to the Administrative Agent, the L/C Issuers and the Lenders, in form and substance acceptable to the Administrative Agent.~~

~~(d) Financial Statements.—The Administrative Agent and the Arrangers shall have received copies of (i)(A) the Audited Financial Statements, and (B) the audited annual Consolidated financial statements of the Borrower and its Subsidiaries for the fiscal years of the Borrower ended April 30, 2018 and April 30, 2019, including, for each such fiscal year of the Borrower, a balance sheet and statements of income, cash flows and stockholder's equity (including, in each case, all footnotes to the foregoing, setting forth in comparative form the corresponding figures as of the end of, and for, the applicable preceding fiscal year of the Borrower), (ii) audited annual Consolidated financial statements of the Closing Date Acquisition Target and its Subsidiaries for the fiscal years of the Closing Date Acquisition Target ended December 31, 2018 and December 31, 2019, to include in each case a balance sheet and statements of income, cash flows and shareholders' equity (including all footnotes to the foregoing, all in reasonable detail and setting forth in comparative form the corresponding figures as of the end of, and for, the applicable preceding fiscal year of the Closing Date Acquisition Target), (iii) unaudited Consolidated financial statements of the Borrower and its Subsidiaries for the fiscal quarters of the Borrower ended July 31, 2020 and October 31, 2020, to include in each case a balance sheet and statements of income and cash flows, all in reasonable detail and setting forth in comparative form the corresponding figures as of the end of, and for the corresponding period in, the applicable preceding fiscal year of the Borrower, (iv) unaudited Consolidated financial statements of the Closing Date Acquisition Target and its Subsidiaries for the fiscal quarters of the Closing Date Acquisition Target ended March 31, 2020, June 30, 2020 and September 30, 2020, to include in each case a balance sheet and statements of income and cash flows, all in reasonable detail and setting forth in comparative form the corresponding figures as of the end of, and for the corresponding period in, the applicable preceding fiscal year of the Closing Date Acquisition Target, and (v) pro forma financial statements of the Borrower and its Subsidiaries as of and for the twelve (12)-month period ended on October 31, 2020, to include a balance sheet and statements of income, cash flows and stockholders' equity, prepared after giving effect to the Transactions as if the Transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other financial statements) (the "Pro Forma Financial Statements").~~

~~(e) No Company Material Adverse Effect. Since the date of the Closing Date Acquisition Agreement, there shall not have been a “Company Material Adverse Effect” (as defined in the Closing Date Acquisition Agreement (as in effect on January 11, 2021)):~~

~~(f) Personal Property Collateral; Insurance. The Administrative Agent shall have received:~~

~~(i) (A) searches of UCC filings in the jurisdiction of organization of each Loan Party and each jurisdiction where any Collateral is located or where a filing would need to be made in order to perfect the Administrative Agent’s security interest in the Collateral; copies of the financing statements on file in such jurisdictions and evidence that no Liens exist other than Permitted Liens; and (B) tax lien and judgment searches;~~

~~(ii) searches of ownership of registered and pending Intellectual Property in the United States Copyright Office and the United States Patent and Trademark Office and duly executed notices of grant of security interest in the form required by the Collateral Documents as are necessary to perfect the Administrative Agent’s security interest in such Intellectual Property;~~

~~(iii) completed UCC financing statements for each appropriate jurisdiction as is necessary to perfect the Administrative Agent’s security interest in the Collateral to the extent that a security interest in such Collateral may be perfected by the filing of a UCC financing statement;~~

~~(iv) to the extent required to be delivered pursuant to the terms of the Collateral Documents, stock, equity, share or membership certificates and endorsements of, or recordings of, or notations on, such certificates evidencing Equity Interests pledged pursuant to the terms of the Collateral Documents, together with, where applicable, undated stock or transfer powers duly executed in blank;~~

~~(v) to the extent required to be delivered pursuant to the terms of the Collateral Documents, all instruments, documents and chattel paper in the possession of any of the Loan Parties, together with allonges or assignments as may be necessary to perfect the Administrative Agent’s security interest in the Collateral; and~~

~~(vi) copies of insurance certificates and endorsements of insurance evidencing liability, casualty, property, terrorism and business interruption insurance meeting the requirements set forth herein or in the Collateral Documents;~~

~~provided, that, to the extent any security interest in any Collateral is not or cannot be provided and/or perfected on the Closing Date (other than (1) the granting of a security interest pursuant to the Collateral Documents, (2) the perfection of the security interest in assets with respect to which a Lien may be perfected by the filing of a UCC financing statement and/or the filing of short-form Intellectual Property notices with the United States Patent and Trademark Office or the United States Copyright Office, and (3) the perfection of the security interest in certificated Equity Interests of any Domestic Subsidiary (provided, that, with respect to any such certificates that are held by the Closing Date Acquisition Target or the Closing Date Acquisition Target’s existing lenders, such certificates shall only be required to be delivered on the Closing Date to the extent such certificates are received by the Borrower on or prior to the Closing Date after the Borrower’s use of commercially reasonable efforts to obtain such certificates)) after the Borrower’s use of commercially reasonable efforts to do so, then the grant, provision and/or~~

~~perfection of a security interest in such Collateral shall not constitute a condition precedent to the availability of the Credit Extensions to be made on the Closing Date, but instead shall be required to be delivered within thirty (30) days after the Closing Date (or such longer period of time as may be agreed by the Administrative Agent in its sole discretion) (the provisions of this proviso being referred to herein as the “Limited Conditionality Provision”).~~

~~(g) Solvency Certificate.—The Administrative Agent shall have received a Solvency Certificate signed by the chief financial officer of the Borrower certifying that the Borrower and its Subsidiaries, on a Consolidated basis after giving effect to the Transactions, are Solvent.~~

~~(h) Officer’s Certificate.—The Administrative Agent shall have received a certificate signed by a Responsible Officer of the Borrower certifying that the conditions specified in Sections 4.01(c), (i), (j), and (l) have been satisfied.~~

~~(i) Closing Date Acquisition.—The Closing Date Acquisition Agreement shall be in full force and effect. The Closing Date Acquisition shall have been consummated, or substantially concurrently with the funding of the Term A Loans on the Closing Date shall be consummated, in all material respects in accordance with the terms of the Closing Date Acquisition Agreement, without giving effect to any modifications or amendments thereto (which, for the avoidance of doubt, shall include any Schedule Supplement (as defined in the Closing Date Acquisition Agreement (as in effect on January 11, 2021))) or consents or waivers thereto or thereunder by the Borrower or any of its Affiliates that are material and adverse to the Lenders (in their respective capacities as such) or the Arrangers (in their respective capacities as such) without the prior consent of the Arrangers (such consent not to be unreasonably withheld, delayed or conditioned); provided, that, it is understood and agreed that: (i) any reduction of the purchase price in connection with the Closing Date Acquisition shall not be deemed to be material and adverse to the interests of the Lenders and the Arrangers if such reduction of the purchase price shall be allocated to a reduction in the amount of the Term A Facility; (ii) any increase of the purchase price in connection with the Closing Date Acquisition shall not be deemed to be material and adverse to the interests of the Lenders and the Arrangers if such increase of the purchase price is (A) funded with cash on the balance sheet of the Borrower and/or is satisfied by increasing the amount of the Closing Date Equity Contribution, and (B) in an aggregate amount not in excess of \$100,000,000; and (iii) any change to the definition of “Company Material Adverse Effect” shall be deemed material and adverse to the Lenders and the Arrangers.~~

~~(j) Representations and Warranties.—The representations and warranties of the Borrower and each other Loan Party contained in this Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be made on the Closing Date; provided, that, it is understood and agreed that only the Specified Representations shall be true and correct in all material respects (or in all respects if already qualified by materiality) on and as of the Closing Date. The Specified Closing Date Acquisition Agreement Representations shall be true and correct in all material respects (or in all respects if already qualified by materiality) on and as of the Closing Date.~~

~~(k) Closing Date Refinancing.—The Closing Date Refinancing shall have been, or substantially concurrently with the funding of the Term A Loans on the Closing Date shall be, consummated.~~

~~(f) Closing Date Equity Contribution. Prior to, or substantially concurrently with, the funding of the Term A Loans on the Closing Date, the Borrower shall have consummated the Closing Date Equity Contribution.~~

~~(m) Loan Notice. The Administrative Agent shall have received a Loan Notice with respect to the Term A Borrowing to be made on the Closing Date.~~

~~(n) Due Diligence; PATRIOT Act; Beneficial Ownership. At least five (5) Business Days prior to the Closing Date, (i) the Administrative Agent and each Lender shall have received all documentation and other information about the Loan Parties as has been reasonably requested by the Administrative Agent or such Lender at least ten (10) Business Days prior to the Closing Date that is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act, and (ii) if the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, the Borrower shall have delivered to the Administrative Agent and each Lender requesting the same at least ten (10) Business Days prior to the Closing Date, a Beneficial Ownership Certification in relation to the Borrower.~~

~~(o) Payment of Fees and Expenses. All fees required to be paid on the Closing Date, and all reasonable out-of-pocket expenses required to be paid on the Closing Date, in each case shall have been paid to the extent invoiced at least three (3) Business Days (or such shorter period of time as the Borrower may agree) prior to the Closing Date.~~

~~Without limiting the generality of the provisions of Section 9.03(c)(vi), for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender (or any of its Affiliates) unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.~~

4.02 Conditions to all Credit Extensions ~~After the Closing Date.~~

The obligation of each Lender and each L/C Issuer to honor any Request for Credit Extension (other than ~~(x) in connection with the Term A Borrowing on the Closing Date,~~ with respect to the conditions set forth in Sections 4.02(a), (b) and (y), a Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Term SOFR Loans) is subject to the following conditions precedent:

(a) Representations and Warranties. The representations and warranties of the Borrower and each other Loan Party contained in this Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall (i) with respect to representations and warranties that contain a materiality qualification, be true and correct on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and (ii) with respect to representations and warranties that do not contain a materiality qualification, be true and correct in all material respects on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, and except that for purposes of this Section 4.02, the representations and warranties contained in Sections 5.05(a) and (b) shall be

deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b), respectively.

(b) Default. No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) Request for Credit Extension. The Administrative Agent and, if applicable, the applicable L/C Issuer or the Swingline Lender, shall have received a Request for Credit Extension in accordance with the requirements hereof.

(d) Consolidated Leverage Ratio. The Consolidated Leverage Ratio, determined on a Pro Forma Basis after giving effect to the proposed Credit Extension and the application of the proceeds thereof, shall not exceed the Leverage Ratio Target.

Each Request for Credit Extension (other than ~~(x) in connection with the Term A Borrowing on the Closing Date, with respect to the conditions set forth in Sections 4.02(a), (b) and (y)~~(d), a Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Term SOFR Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) and (d) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to the Administrative Agent and the Lenders, as of the date made or deemed made, that:

5.01 Existence, Qualification and Power.

Each Loan Party and each of its Subsidiaries (a) is duly organized or formed, validly existing and, as applicable and except for the Immaterial Subsidiary, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business, and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Authorization; No Contravention.

(a) The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is or is to be a party have been duly authorized by all necessary corporate or other organizational action.

(b) The execution, delivery, and performance by each Loan Party of each Loan Document to which such Person is or is to be a party does not and will not (i) contravene the terms of such Person's Organization Documents, (ii) conflict with or result in any breach or contravention of, or the creation of any Lien under (other than Liens created pursuant to the Loan Documents in favor of the Administrative Agent), or require any payment to be made under (A)

any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries, or (B) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject, or (iii) violate any Law; except in each case referred to in clause (ii) or (iii) above, to the extent that failure to do so would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.03 Governmental Authorization; Other Consents.

No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents, (c) the perfection or maintenance of the Liens created under the Collateral Documents (including the first priority nature thereof), or (d) the exercise by the Administrative Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Collateral Documents, other than (i) authorizations, approvals, actions, notices and filings which have been duly obtained, and (ii) filings to perfect the Liens created by the Collateral Documents.

5.04 Binding Effect.

Each Loan Document has been duly executed and delivered by each Loan Party that is party thereto. Each Loan Document when so delivered constitutes a legal, valid and binding obligation of each Loan Party that is party thereto, enforceable against each such Loan Party in accordance with its terms, subject to (a) applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, and (b) solely with respect to the enforcement of any pledge of the Equity Interests in any Foreign Subsidiary or any pledge of intercompany Indebtedness owed by any Foreign Subsidiary, the effect of foreign Laws, rules and regulations as they relate to the enforcement of any such pledge.

5.05 Financial Statements; No Material Adverse Effect.

(a) Audited Financial Statements. The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, (ii) fairly present, in all material respects, the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations, cash flows and changes in stockholder's equity for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Borrower and its Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(b) Quarterly Financial Statements. The unaudited Consolidated balance sheet of the Borrower and its Subsidiaries dated as of ~~October 31~~ July 27, 2020~~2024~~, and the related Consolidated statements of income and cash flows for the fiscal quarter of the Borrower ended ~~October 31~~ July 27, 2020~~2024~~ (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present the financial condition of the Borrower and its Subsidiaries as of the date thereof and their results of operations and cash flows for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Material Adverse Effect. Since April 30, ~~2020~~2024, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

5.06 Litigation.

There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any Subsidiary or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document or any of the transactions contemplated hereby, or (b) either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

5.07 No Default.

Neither any Loan Party nor any Subsidiary is in default under or with respect to, or a party to, any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the ~~Transactions or the other~~ transactions contemplated by this Agreement or any other Loan Document.

5.08 Ownership of Property.

Each Loan Party and each of its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.09 Environmental Compliance.

(a) Except as could not, individually or in the aggregate, reasonably be expected to result in any Material Adverse Effect:

(i) (A) None of the properties currently or formerly owned, leased or operated by any Loan Party or any of its Subsidiaries is listed or formally proposed for listing on the NPL or on the CERCLIS or any analogous foreign, state or local list or is adjacent to any such property; (B) there are no, and to the best knowledge of the Loan Parties and their Subsidiaries never have been any, underground or above-ground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned, leased or operated by any Loan Party or any of its Subsidiaries or, to the best of the knowledge of the Loan Parties, on any property formerly owned, leased or operated by any Loan Party or any of its Subsidiaries; (C) there is no and never has been any asbestos or asbestos-containing material on, at or in any property currently owned, leased or operated by any Loan Party or any of its Subsidiaries; (D) Hazardous Materials have not been released on, at, under or from any property currently or formerly owned, leased or operated by any Loan Party or any of its Subsidiaries or any property by or on behalf, or otherwise arising from the operations, of any Loan Party or any of its Subsidiaries; and (E) no Loan Party or any of its Subsidiaries has become subject to any Environmental Liability or knows of any facts or circumstances that could reasonably be expected to give rise to any Environmental Liability.

(ii) (A) Neither any Loan Party nor any of its Subsidiaries is undertaking, and has not completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened Release of Hazardous Materials at, on, under, or from any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; and (B) all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or formerly owned, leased or operated by any Loan Party or any of its Subsidiaries have been disposed of in a manner which could not reasonably be expected to result in liability to any Loan Party or any of its Subsidiaries.

(iii) The Loan Parties and their respective Subsidiaries: (A) are, and within the period of all applicable statutes of limitation have been, in compliance with all applicable Environmental Laws; (B) hold all Environmental Permits (each of which is in full force and effect) required for any of their current or intended operations or for any property owned, leased, or otherwise operated by any of them; (C) are, and within the period of all applicable statutes of limitation have been, in compliance with all of their Environmental Permits; (D) to the extent within the control of the Loan Parties and their respective Subsidiaries, will timely renew and comply with each of their Environmental Permits and any additional Environmental Permits that may be required of any of them without material expense, and timely comply with any current, future or potential Environmental Law without material expense; and (E) are not aware of any requirements proposed for adoption or implementation under any Environmental Law.

5.10 Insurance.

The properties of the Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Borrower, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party or the applicable Subsidiary operates.

5.11 Taxes.

Each Loan Party and its Subsidiaries have filed all federal, state and other material tax returns and reports required to be filed, and have paid all federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect, nor is there any tax sharing agreement applicable to the Borrower or any Subsidiary.

5.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter or is subject to a favorable opinion letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the IRS to be exempt from federal income tax under Section 501(a) of the Code, or an application

for such a letter is currently being processed by the IRS. To the knowledge of the Loan Parties, nothing has occurred that would prevent, or cause the loss of, such tax-qualified status.

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

(c) (i) No ERISA Event has occurred, and no Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan or Multiemployer Plan; (ii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is sixty percent (60%) or higher and no Loan Party nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below sixty percent (60%) as of the most recent valuation date; (iii) no Loan Party nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (iv) neither the Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (v) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) As of the ~~Closing~~ Third Amendment Effective Date, the Borrower is not and will not be using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to the Borrower’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement.

5.13 Margin Regulations; Investment Company Act.

(a) Margin Regulations. Neither the Borrower nor any Subsidiary is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing or drawing under each Letter of Credit, not more than twenty-five percent (25%) of the value of the assets (either of the Borrower only or of the Borrower and its Subsidiaries on a Consolidated basis) subject to the provisions of Section 7.01 or Section 7.05 or subject to any restriction contained in any agreement or instrument between the Borrower or any Subsidiary and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of Section 8.01(e) will be margin stock.

(b) Investment Company Act. None of the Borrower, any Person Controlling the Borrower, or any Subsidiary is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

5.14 Disclosure.

The Borrower has disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries or any other Loan Party is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably

be expected to result in a Material Adverse Effect. No report, financial statement, certificate or other written information (other than projected financial information and information of a general economic or industry-specific nature) furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case as modified or supplemented by other information so furnished), when taken as a whole, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading. All projected financial information furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement, or delivered hereunder or under any other Loan Document, has been prepared in good faith based upon assumptions believed to be reasonable at the time such information was furnished. As of the ~~Closing~~[Third Amendment Effective](#) Date, the information included in any Beneficial Ownership Certification delivered to the Administrative Agent or any Lender, if applicable, is true and correct in all respects.

5.15 Compliance with Laws.

Each Loan Party and each Subsidiary is in compliance with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted, or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.16 Solvency.

The Borrower and its Subsidiaries, on a Consolidated basis, are Solvent.

5.17 Sanctions Concerns and Anti-Corruption Laws.

(a) Sanctions Concerns. No Loan Party, nor any Subsidiary, nor, to the knowledge of the Loan Parties and their Subsidiaries, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by one or more individuals or entities that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, or HMT's Consolidated List of Financial Sanctions Targets, or any similar list enforced by any other relevant sanctions authority, or (iii) located, organized or resident in a Designated Jurisdiction. The Borrower and its Subsidiaries have conducted their businesses in compliance with all applicable Sanctions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such Sanctions.

(b) Anti-Corruption Laws. The Loan Parties and their Subsidiaries, and their respective directors, officers, employees and agents are in compliance with and, as applicable, have conducted their business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other applicable anti-corruption legislation in other jurisdictions, and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

5.18 Subsidiaries; Equity Interests; Loan Parties.

(a) Subsidiaries, Joint Ventures, Partnerships and Equity Investments. Set forth on Schedule 5.18(a) is a complete and accurate list as of the ~~Closing~~[Third Amendment Effective](#)

Date of: (i) all Subsidiaries, joint ventures and partnerships and other equity investments of the Loan Parties; (ii) the number of shares of each class of Equity Interests in each Subsidiary outstanding; (iii) the number and percentage of outstanding shares of each class of Equity Interests owned by the Loan Parties and their Subsidiaries; and (iv) the class or nature of such Equity Interests (i.e. voting, non-voting, preferred, etc.). The outstanding Equity Interests in all Subsidiaries are validly issued, fully paid and non-assessable and are owned free and clear of all Liens. There are no outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments (other than stock options granted to employees or directors and directors' qualifying shares) of any nature relating to the Equity Interests of any Loan Party or any Subsidiary, except as contemplated in connection with the Loan Documents or as set forth on [Schedule 5.18\(a\)](#).

(b) Loan Parties. Set forth on [Schedule 5.18\(b\)](#) is a complete and accurate list as of the [Closing Third Amendment Effective](#) Date of each Loan Party's: (i) exact legal name; (ii) any former legal names in the four (4) months prior to the [Closing Third Amendment Effective](#) Date, if any; (iii) jurisdiction of its incorporation or organization, as applicable; (iv) address of its chief executive office (and address of its principal place of business if different than its chief executive office address); (v) U.S. federal taxpayer identification number; and (vi) organization identification number, if any.

5.19 Collateral Representations.

(a) Collateral Documents. The provisions of the Collateral Documents are (and upon delivery of Collateral to the Administrative Agent and/or when appropriate filings or other actions required by the applicable Collateral Documents or by applicable law have been filed or taken, will be) effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable first priority Lien (subject to Permitted Liens) on all right, title and interest of the respective Loan Parties in the Collateral described therein. Except for filings and other actions completed prior to the [Closing Third Amendment Effective](#) Date and as contemplated hereby and by the Collateral Documents, no filing or other action will be necessary to perfect such Liens.

(b) Intellectual Property. Set forth on [Schedule 5.19\(b\)](#), as of the [Closing Third Amendment Effective](#) Date, is a list of all Intellectual Property registered or pending registration with the United States Copyright Office or the United States Patent and Trademark Office (other than Intellectual Property that is expired, abandoned, or lapsed) and owned by each Loan Party as of the [Closing Third Amendment Effective](#) Date. Except for such claims and infringements that would not reasonably be expected to have a Material Adverse Effect, no claim has been asserted and is pending by any Person challenging or questioning the use of any Intellectual Property or the validity or effectiveness of any Intellectual Property, nor does any Loan Party know of any such claim, and the use of any Intellectual Property by any Loan Party or any of its Subsidiaries or the granting of a right or a license in respect of any Intellectual Property from any Loan Party or any of its Subsidiaries does not, to the best of any Loan Party's knowledge, infringe on the rights of any Person. As of the [Closing Third Amendment Effective](#) Date, none of the Intellectual Property owned by any of the Loan Parties or any of their Subsidiaries is subject to any licensing agreement or similar arrangement (other than non-exclusive outbound licenses entered into in the ordinary course of business) except as set forth on [Schedule 5.19\(b\)](#).

(c) Deposit Accounts and Securities Accounts. Set forth on [Schedule 5.19\(c\)](#), as of the [Closing Third Amendment Effective](#) Date, is a description of all deposit accounts and all securities accounts of the Loan Parties, including the name of (i) the applicable Loan Party, (ii) in

the case of a deposit account, the depository institution and balance (as of ~~January 31, 2021~~a recent date prior to the Third Amendment Effective Date) held in such deposit account and whether such account is an Excluded Account, and (iii) in the case of a securities account, the securities intermediary or issuer and the market value (as of ~~January 31, 2021~~a recent date prior to the Third Amendment Effective Date) held in such securities account, as applicable.

(d) Properties. Set forth on Schedule 5.19(d), as of the ~~Closing~~Third Amendment Effective Date, is a list of all real property located in the United States that is owned or leased by any Loan Party (in each case, including (i) the name of the Loan Party owning (or leasing) such property, (ii) the property address, and (iii) the city, county, state and zip code which such property is located).

5.20 Affected Financial Institutions.

No Loan Party is an Affected Financial Institution.

5.21 Covered Entities.

No Loan Party is a Covered Entity.

ARTICLE VI

AFFIRMATIVE COVENANTS

Each of the Loan Parties hereby covenants and agrees that on the Closing Date and thereafter until the Facility Termination Date:

6.01 Financial Statements.

The Borrower shall deliver to the Administrative Agent (for further distribution to each Lender), in form and detail satisfactory to the Administrative Agent:

(a) Audited Financial Statements. As soon as available, but in any event within ninety (90) days after the end of each fiscal year of the Borrower (or, if earlier, fifteen (15) days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), commencing with the fiscal year ending April ~~31, 2021~~2025, a Consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal year, and the related Consolidated statements of income, changes in stockholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit.

(b) Quarterly Financial Statements. As soon as available, but in any event within forty-five (45) days after the end of each of the first three (3) fiscal quarters of each fiscal year of the Borrower (or, if earlier, five (5) days after the date required to be filed with the SEC, (without giving effect to any extension permitted by the SEC)), commencing with the fiscal quarter of the Borrower ending ~~July 31, 2021~~October 26, 2024, a Consolidated balance sheet of the Borrower

and its Subsidiaries as at the end of such fiscal quarter, and the related Consolidated statements of income or operations and cash flows for such fiscal quarter and for the portion of the Borrower's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, certified by the chief executive officer, chief financial officer, treasurer or controller who is a Responsible Officer of the Borrower as fairly presenting the financial condition, results of operations and cash flows of the Borrower and its Subsidiaries, subject only to normal year-end audit adjustments and the absence of footnotes.

(c) Budget and Projections. As soon as available, but in any event no later than ninety (90) days after the beginning of each fiscal year of the Borrower, projections and a budget for the Borrower and its Subsidiaries on a Consolidated basis (including a balance sheet and related statements of income and cash flows), on a quarterly basis for such fiscal year.

As to any information contained in materials furnished pursuant to Section 6.02(c), the Borrower shall not be separately required to furnish such information under Section 6.01(a) or (b), but the foregoing shall not be in derogation of the obligation of the Borrower to furnish the information and materials described in Sections 6.01(a) and (b) at the times specified therein.

6.02 Certificates; Other Information.

Each Loan Party shall, and shall cause each of its Subsidiaries to, deliver to the Administrative Agent (for further distribution to each Lender), in form and detail satisfactory to the Administrative Agent:

(a) Compliance Certificate. Concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b), (i) a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller which is a Responsible Officer of the Borrower, including (A) a certification that no Default has occurred and is continuing (or, if a Default has occurred and is continuing, describing the nature and status of each such Default and actions that have been taken or are proposed to be taken to cure such Default), (B)(1) a certification of compliance with the financial covenants set forth in Section 7.11, including financial covenant calculations for the period covered by the Compliance Certificate ~~and~~, (2) a calculation of the Available Amount as of the date of such Compliance Certificate, (3) a calculation of the Consolidated Leverage Ratio as of the end of any Measurement Period ending as of the end of the period covered by the financial statements delivered in connection with such Compliance Certificate, and (4) a certification (x) that any Supply Chain Financing consummated during the period covered by such Compliance Certificate was a Permitted Supply Chain Financing, and (y) of the outstanding amount of all accounts receivable sold or purported to be sold in connection with all Permitted Supply Chain Financings which accounts receivable remain uncollected and unrepurchased as of the last day of the period covered by such certification, (C) a listing of (1) all applications with the United States Patent and Trademark Office or the United States Copyright Office by any Loan Party, if any, for any Intellectual Property made since the date of the most recent prior Compliance Certificate (or, in the case of the first Compliance Certificate delivered after the Closing Date pursuant to this Section 6.02(a), the Closing Date), (2) all issuances of registrations or letters on existing applications with the United States Patent and Trademark Office or the United States Copyright Office by any Loan Party, if any, for any Intellectual Property received since the date of the most recent prior Compliance Certificate (or, in the case of the first Compliance Certificate delivered after the Closing Date pursuant to this Section 6.02(a), the Closing Date), and (3) all licenses

relating to any Intellectual Property registered with the United States Patent and Trademark Office or the United States Copyright Office entered into by any Loan Party since the date of the most recent prior Compliance Certificate (or, in the case of the first Compliance Certificate delivered after the Closing Date pursuant to this Section 6.02(a), the Closing Date), and (D) concurrently with the delivery of the financial statements referred to in Section 6.01(a), updated evidence of insurance for any insurance coverage of any Loan Party that was renewed, replaced or modified during the period covered by such Compliance Certificate, and (ii) a copy of management's discussion and analysis with respect to such financial statements. Unless the Administrative Agent or a Lender requests executed originals, delivery of the Compliance Certificate may be by electronic communication including fax or email and shall be deemed to be an original and authentic counterpart thereof for all purposes.

(b) Audit Reports; Management Letters; Recommendations. Promptly after any request by the Administrative Agent or any Lender, copies of any detailed audit reports, management letters or recommendations submitted to the board of directors (or the audit committee of the board of directors) of any Loan Party by independent accountants in connection with the accounts or books of any Loan Party or any of its Subsidiaries, or any audit of any of them.

(c) Annual Reports; Etc. Promptly after the same are sent or filed, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of any Loan Party, and copies of all annual, regular, periodic and special reports and registration statements which any Loan Party may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, or with any national securities exchange, and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto.

(d) Debt Securities Statements and Reports. Promptly after the furnishing thereof, copies of any statement or report furnished to any holder of debt securities of any Loan Party or of any of its Subsidiaries pursuant to the terms of any indenture, loan or credit or similar agreement governing Indebtedness with ~~in~~ an aggregate principal amount in excess of the Threshold Amount and not otherwise required to be furnished to the Lenders pursuant to Section 6.01 or any other clause of this Section 6.02.

(e) SEC Notices. Promptly, and in any event within five (5) Business Days after receipt thereof by any Loan Party or any Subsidiary, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary.

(f) Anti-Money-Laundering; Beneficial Ownership Regulation. Promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money-laundering rules and regulations, including the PATRIOT Act.

(g) Beneficial Ownership. To the extent the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, an updated Beneficial Ownership Certification promptly following any change in the information provided in any Beneficial Ownership Certification delivered to the Administrative Agent or any Lender in relation to the Borrower that would result in a change to the list of beneficial owners identified in such certification.

(h) Additional Information. Promptly, such additional information regarding the business, financial, legal or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a) or (b) or Section 6.02(c) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (a) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address listed on Schedule 1.01(a), or (b) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided, that: (i) the Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its reasonable request to the Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender, and (ii) the Borrower shall notify the Administrative Agent and each Lender (by e-mail transmission) of the posting of any such documents and, to the extent reasonably requested by the Administrative Agent, provide to the Administrative Agent by e-mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or an Affiliate thereof may, but shall not be obligated to, make available to the Lenders and the L/C Issuers materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks, Syndtrak, ClearPar or a substantially similar electronic transmission system (the "Platform"), and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower hereby agrees that it will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (i) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof, (ii) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, any Affiliate thereof, each Arranger, each L/C Issuer and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to the Borrower or its securities for purposes of United States federal and state securities laws (provided, that, to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07), (iii) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information," and (iv) the Administrative Agent and any Affiliate thereof and each Arranger shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information." Notwithstanding the foregoing, the Borrower shall be under no obligation to mark any Borrower Materials "PUBLIC".

6.03 Notices.

Each Loan Party shall, and shall cause each of its Subsidiaries to, promptly, but in any event within two (2) Business Days, notify the Administrative Agent (and, upon receipt of any such notice, the Administrative Agent shall notify each Lender) of:

- (a) the occurrence of any Default;
- (b) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect;
- (c) the occurrence of any ERISA Event;
- (d) any material change in accounting policies or financial reporting practices by any Loan Party or any Subsidiary, including any determination by the Borrower referred to in Section 2.10(b); or
- (e) ~~any (i) occurrence of any Disposition or Involuntary Disposition for which a mandatory prepayment is required pursuant to Section 2.05(b)(i), or (ii) Debt Issuance for which a mandatory prepayment is required pursuant to Section 2.05(b)(ii);~~ [reserved].

Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and to the extent applicable, stating what action the Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04 Payment of Obligations.

Each Loan Party shall, and shall cause each of its Subsidiaries to, pay and discharge as the same shall become due and payable, all its obligations and liabilities, including (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Borrower or such Subsidiary, (b) all lawful claims which, if unpaid, would by law become a Lien upon its property (other than Permitted Liens), and (c) all Indebtedness, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness; except, in any case, to the extent the failure to pay or discharge the same could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

6.05 Preservation of Existence, Etc.

(a) Each Loan Party shall, and shall cause each of its Subsidiaries to, preserve, renew and maintain in full force and effect its legal existence and, except with respect to the Immaterial Subsidiary, good standing under the Laws of the jurisdiction of its organization, except in a transaction permitted by Section 7.04 or 7.05.

(b) Each Loan Party shall, and shall cause each of its Subsidiaries to, take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) Each Loan Party shall, and shall cause each of its Subsidiaries to, preserve or renew all of its registered Intellectual Property, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

6.06 Maintenance of Properties.

Each Loan Party shall, and shall cause each of its Subsidiaries to, (a) maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted; (b) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) use the standard of care typical in the industry in the operation and maintenance of its facilities.

6.07 Maintenance of Insurance.

(a) Maintenance of Insurance. Each Loan Party shall, and shall cause each of its Subsidiaries to, maintain with financially sound and reputable insurance companies not Affiliates of the Borrower, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons.

(b) Evidence of Insurance. Each Loan Party shall, and shall cause each of its Subsidiaries to, (i) cause the Administrative Agent to be named as lenders' loss payable and/or additional insured with respect of any insurance providing liability coverage or coverage in respect of any Collateral, and use commercially reasonable efforts to cause, unless otherwise agreed to by the Administrative Agent, each provider of any such insurance to agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to the Administrative Agent that it will give the Administrative Agent thirty (30) days prior written notice before any such policy or policies shall lapse, terminate or be cancelled (or ten (10) days prior notice in the case of cancellation due to the nonpayment of premiums), and (ii) annually, upon expiration of current insurance coverage, provide, or cause to be provided, to the Administrative Agent, such evidence of insurance as required by the Administrative Agent, including, but not limited to, (A) evidence of such insurance policies (including, as applicable, ACORD Form 28 certificates (or similar form of insurance certificate) and ACORD Form 25 certificates (or similar form of insurance certificate)), and (B) endorsements naming the Administrative Agent as lenders' loss payable and/or additional insured with respect of any such insurance.

6.08 Compliance with Laws.

Each Loan Party shall, and shall cause each of its Subsidiaries to, comply with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted, or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.09 Books and Records.

Each Loan Party shall, and shall cause each of its Subsidiaries to, (a) maintain proper books of record and account, in which full, true and correct (in all material respects) entries in conformity with

GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of such Loan Party or such Subsidiary, as the case may be; and (b) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over such Loan Party or such Subsidiary, as the case may be.

6.10 Inspection Rights.

Each Loan Party shall, and shall cause each of its Subsidiaries to, permit representatives and independent contractors of the Administrative Agent and each Lender to visit and inspect any of its properties to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants (provided, that, one or more representatives of the Borrower shall be invited (with reasonable advanced notice) to attend any such meetings with such independent public accountants), all at the expense of the Borrower and at such reasonable times during normal business hours and no more than once per calendar year, upon reasonable advance notice to the Borrower; provided, that, when an Event of Default exists, the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time, and as often as may be desired, during normal business hours and without advance notice; provided, further, that, notwithstanding anything to the contrary herein, neither the Borrower nor any of its Subsidiaries shall be required to disclose, permit the inspection, examination or making of copies of or taking abstracts from, or discuss any document, information or other matter (a) that constitutes non-financial trade secrets or non-financial proprietary information of the Borrower and its Subsidiaries (and/or any such information of any of their respective customers and/or suppliers), (b) in respect of which disclosure to the Administrative Agent or any Lender (or any of their respective representatives or agents) is prohibited by applicable Law, (c) that is subject to attorney-client or similar privilege or constitutes attorney work product, or (d) in respect of which the Borrower or such Subsidiary owes confidentiality obligations (to the extent not created in contemplation of the Borrower's or such Subsidiary's obligations under this Section 6.10) to any third party.

6.11 Use of Proceeds.

Each Loan Party shall, and shall cause each of its Subsidiaries to, use the proceeds of (a) the ~~Term A Loans on the Closing Date to pay the Closing Date Acquisition Costs, (b) the~~ Revolving Facility (including Letters of Credit and Swingline Loans) ~~from time to time after the Closing Date~~ to finance working capital and for other general corporate purposes (~~provided, that, the foregoing provisions of this clause (b) shall not restrict the deemed issuance of the Existing Letters of Credit on the Closing Date, to the extent such Existing Letters of Credit otherwise comply with this Section 6.11~~it being understood and agreed that, on the Third Amendment Effective Date, proceeds of the Revolving Facility may be used to refinance all amounts outstanding with respect to the term A facility existing under this Agreement immediately prior to the Third Amendment Effective Date), and (e**b**) any Incremental Term Facility for the purposes set forth in the Incremental Term Facility Agreement entered into in connection with the establishment of such Incremental Term Facility; provided, that, in no event shall the proceeds of any Credit Extension be used in contravention of any Law or of any Loan Document.

6.12 Covenant to Guarantee Obligations.

Each Loan Party shall, and shall cause each of its Subsidiaries to, within forty-five (45) days (or, ~~with respect to any Domestic Subsidiary that is a Telereb Immaterial Subsidiary, one hundred twenty (120) days) (or, in each case,~~ such longer period of time as is agreed to by the Administrative Agent in its sole discretion) after the acquisition or formation of any Subsidiary, cause any such Subsidiary that is a Domestic Subsidiary (other than an SPE) to become a Guarantor hereunder by way of execution of a

Joinder Agreement in form and substance satisfactory to the Administrative Agent and, in connection with the foregoing, deliver to the Administrative Agent, with respect to each new Guarantor, substantially the same documentation required pursuant to Sections ~~4-012~~(b), (e), (f), and (nm) of the Third Amendment, Section 6.13, and, to the extent requested by the Administrative Agent, opinions of counsel to such Person, and such other deliveries reasonably deemed necessary in connection therewith, all in form, content and scope reasonably satisfactory to the Administrative Agent.

6.13 Covenant to Give Security.

Each Loan Party shall:

(a) Equity Interests. Cause (i) one hundred percent (100%) of the issued and outstanding Equity Interests directly owned by such Loan Party in each of its Domestic Subsidiaries, and (ii) sixty-five percent (65%) of the issued and outstanding Equity Interests entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)) and one hundred percent (100%) of the issued and outstanding Equity Interests not entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)), in each case, directly owned by such Loan Party in each of its Foreign Subsidiaries, in each case, to be subject at all times to a first priority, perfected Lien in favor of the Administrative Agent, for the benefit of the Secured Parties to secure the Secured Obligations, pursuant to the terms and conditions of the Collateral Documents, together with, to the extent requested by the Administrative Agent, opinions of counsel and any filings and deliveries necessary in connection therewith to perfect the security interests therein, all in form and substance satisfactory to the Administrative Agent.

(b) Other Property. Cause all property of such Loan Party (other than Excluded Property of such Loan Party) to be subject at all times to first priority (subject only to Permitted Liens), perfected Liens in favor of the Administrative Agent, for the benefit of the Secured Parties, to secure the Secured Obligations pursuant to the Collateral Documents or, with respect to any such property acquired subsequent to the Closing Date, such other additional security documents as the Administrative Agent shall reasonably request and, in connection with the foregoing, deliver to the Administrative Agent such other documentation as the Administrative Agent may reasonably request including filings and deliveries necessary to perfect such Liens, Organization Documents, resolutions, and, to the extent requested by the Administrative Agent, favorable opinions of counsel, all in form, content and scope reasonably satisfactory to the Administrative Agent.

(c) Qualifying Control Agreements. To the extent requested by the Administrative Agent with respect to any deposit account or any securities account of such Loan Party, cause such deposit account (other than (i) any deposit account maintained with the Administrative Agent or any Lender, and (ii) any Excluded Account) or such securities account at all times to be subject to a Qualifying Control Agreement (it being understood and agreed that the Loan Parties shall have forty-five (45) days following any such request (or such longer period of time as is agreed by the Administrative Agent in its sole discretion) to provide any such Qualifying Control Agreement).

(d) Assignment of Claims Act. Promptly, upon request by the Administrative Agent, comply with any and all of the requirements of the Assignment of Claims Act (Title 31 Section 3727 and Title 41 Section 15 of the United States Code), and FAR Subpart 32.8 (including FAR 52.232-23) (and comparable Laws of any state) where such statutes and regulations are applicable to any government contracts of any Loan Party, and take all such other action as may be necessary to make the direct assignment to the Administrative Agent of the payments due or to

become due under such government contracts, and such further action as may be necessary to facilitate the creation and perfection of the Administrative Agent's security interest in such payments; provided, that, no Loan Party shall be required to take any such action with respect to any government contract with (i) less than \$5,000,000 in remaining value, or (ii) less than six (6) months in remaining duration.

Notwithstanding any provision in any Loan Document to the contrary, in no event shall any Loan Party be required to (x) enter into any Collateral Document governed by the laws of any jurisdiction other than the United States, any state thereof or the District of Columbia, or (y) take any steps to perfect a security interest created over any Collateral located outside of the United States.

6.14 Further Assurances.

Each Loan Party shall, and shall cause each of its Subsidiaries to, promptly upon request by the Administrative Agent, or any Lender through the Administrative Agent, (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Loan Documents, (ii) subject any Loan Party's properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder, and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Secured Parties the rights granted or now or hereafter intended to be granted to the Secured Parties under any Loan Document or under any other instrument executed in connection with any Loan Document to which any Loan Party is or is to be a party.

6.15 Anti-Corruption Laws; Sanctions.

Each Loan Party shall, and shall cause each of its Subsidiaries to, (a) conduct its business in compliance in all material respects with (i) the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions, and (ii) all applicable Sanctions, and (b) maintain policies and procedures designed to promote and achieve compliance with (i) the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar anti-corruption legislation in other jurisdictions, and (ii) all applicable Sanctions.

ARTICLE VII

NEGATIVE COVENANTS

Each of the Loan Parties hereby covenants and agrees that on the Closing Date and thereafter until the Facility Termination Date, no Loan Party shall, nor shall it permit any Subsidiary to:

7.01 Liens.

Directly or indirectly create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, except for the following (the "Permitted Liens"):

- (a) Liens pursuant to any Loan Document;

(b) (i) Liens existing on the ~~Closing~~Third Amendment Effective Date and listed on Schedule 7.01; and (ii) any extension, renewal or replacement thereof; provided, that, (A) the property covered thereby is not changed, (B) the amount secured or benefited thereby is not increased, (C) the direct or any contingent obligor with respect thereto is not changed, and (D) any extension, renewal or replacement of the obligations secured or benefited thereby is a Permitted Refinancing permitted by Section 7.02(b);

(c) Liens securing Indebtedness permitted under Section 7.02(c); provided, that: (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness together with any accessions thereto and proceeds thereof, and (ii) such Liens attach to such property concurrently with or within one hundred twenty (120) days after the acquisition thereof;

(d) Liens for taxes not yet due and payable or which are being contested in good faith by appropriate proceedings diligently pursued; provided, that, (i) any proceedings commenced for the enforcement of such Liens shall have been stayed or suspended within thirty (30) days of the commencement thereof, and (ii) provision for the payment of all such taxes has been made on the books of such Person to the extent required by GAAP;

(e) mechanic's, processor's, materialman's, carrier's, warehousemen's, landlord's and similar Liens (including statutory and common law landlord's Liens under leases to which any Loan Party or any Subsidiary is a party) arising by operation of Law and arising in the ordinary course of business and securing obligations of such Person that are not overdue for a period of more than ninety (90) days or are being contested in good faith by appropriate proceedings diligently pursued; provided, that, (i) any proceedings commenced for the enforcement of such Liens shall have been stayed or suspended within thirty (30) days of the commencement thereof, and (ii) provision for the payment of such Liens has been made on the books of such Person to the extent required by GAAP;

(f) Liens arising in connection with worker's compensation, unemployment insurance, old age pensions and social security benefits (other than Liens imposed by ERISA) which are not overdue or are being contested in good faith by appropriate proceedings diligently pursued; provided, that, (i) any proceedings commenced for the enforcement of such Liens shall have been stayed or suspended within thirty (30) days of the commencement thereof, and (ii) provision for the payment of such Liens has been made on the books of such Person to the extent required by GAAP;

(g) Liens (i) incurred or deposits made in the ordinary course of business to secure the performance of bids, tenders, statutory obligations, fee and expense arrangements with trustees and fiscal agents (exclusive of obligations incurred in connection with the borrowing of money or the payment of the deferred purchase price of property) and customary deposits granted in the ordinary course of business under operating leases, and (ii) incurred or deposits made securing the performance of surety, indemnity, performance, appeal and release bonds incurred in the ordinary course of business; provided, that, in each case, full provision for the payment of all such obligations has been made on the books of such Person to the extent required by GAAP;

(h) Permitted Real Property Encumbrances;

(i) attachment, judgment or other similar Liens arising in connection with court or arbitration proceedings to the extent not constituting an Event of Default; provided, that, the same are discharged, or that execution or enforcement thereof is stayed pending appeal, within thirty

(30) days or, in the case of any stay of execution or enforcement pending appeal, within such lesser time during which such appeal may be taken;

(j) leases or subleases granted to others not interfering in any material respect with the business of the Borrower or any of its Subsidiaries and any interest or title of a lessor under any lease permitted by the Loan Documents;

(k) customary rights of set off, revocation, refund or chargeback under deposit agreements or under the UCC of banks or other financial institutions where the Borrower or any of its Subsidiaries maintains deposits in the ordinary course of business permitted by the Loan Documents;

(l) landlord's Liens created pursuant to any lease entered into by the Borrower or any of its Subsidiaries with a landlord in the ordinary course of business; provided, that, such Liens (i) only encumber assets at the applicable leased property (and do not otherwise encumber other assets of the Borrower and its Subsidiaries), and (ii) are granted solely to secure obligations arising under such lease that are owing by the Borrower or such Subsidiary to the landlord under such lease (and do not, in any event, secure any Indebtedness);

(m) Liens securing (i) the financing of insurance premiums or other financial assurances associated with workers compensation insurance coverage, and (ii) the financing of insurance premiums or other financial assurances associated with other insurance coverage or other financial assurance requirements obtained in the normal course of business; provided, that, the aggregate amount of obligations secured by such Liens, when taken together with the aggregate amount of Indebtedness incurred in reliance on Section 7.02(n), shall not exceed \$20,000,000 at any time outstanding;

(n) Liens securing Indebtedness permitted pursuant to Section 7.02(d); provided, that, (i) such Lien is not created in contemplation of or in connection with such acquisition, (ii) such Lien shall not apply to any other property of the Borrower or any Subsidiary, and (iii) such Lien shall secure only those obligations it secures on the date of acquisition;

(o) Liens securing Indebtedness permitted pursuant to Section 7.02(f); provided, that, in each case, such Lien shall not extend to any Collateral or the Equity Interests of the Borrower or any other Loan Party;

(p) Liens in favor of a trustee under customary indenture documentation on cash deposited with such trustee in connection with the repayment of Indebtedness issued pursuant to such indenture, to the extent the repayment of such Indebtedness would have been permitted on the date of creation of such Liens;

(q) licenses (including non-exclusive licenses of Intellectual Property otherwise permitted pursuant to this Agreement) or sublicenses granted to third parties in the ordinary course of business and not interfering in any material respect with the business of the Borrower or any of its Subsidiaries;

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

(s) any interest of title of a lessor under, and Liens arising from UCC financing statements (or equivalent filings, registrations or agreements in foreign jurisdictions) relating to,

any lease permitted pursuant to this Agreement and entered into by the Borrower or any Subsidiary in the ordinary course of business;

(t) Liens arising from precautionary UCC financing statements (or equivalent filings, registrations or agreements in foreign jurisdictions), but only to the extent such ~~filings~~ registrations or agreements, as applicable, do not evidence Liens securing Indebtedness;

(u) Liens (i) attaching solely to cash earnest money deposits in connection with any letter of intent or purchase agreement entered into in connection with any Investment permitted pursuant to Section 7.03, or (ii) constituting an agreement to Dispose of any property in a Disposition permitted pursuant to Section 7.05;

(v) Liens arising out of conditional sale, title retention, consignment, bailment or similar arrangements for the purchase, sale or shipment of goods entered into in the ordinary course of business;

(w) Liens securing Indebtedness permitted pursuant to Section 7.02(p); ~~and~~

(x) Liens on (i) Securitization Related Property existing in connection with any Permitted Securitization Transaction, and (ii) to the extent required pursuant to the Securitization Documents entered into in connection with a Permitted Securitization Transaction, any SPE Deposit Account maintained by the SPE and established in connection with such Permitted Securitization Transaction; provided, that, neither the Borrower nor any of its Subsidiaries shall permit any SPE to, directly or indirectly, create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than Liens (i) existing under the Permitted Securitization Transaction to which such SPE is a party, and (ii) permitted under the applicable Securitization Documents to which such SPE is a party;

(y) Liens on assets sold or purported to be sold in connection with any Permitted Supply Chain Financing; and

~~(z)~~ other Liens not permitted by the foregoing clauses of this Section 7.01 securing Indebtedness or other obligations permitted pursuant to this Agreement in an aggregate principal amount at any one time outstanding not to exceed the greater of (i) \$15,000,000, and (ii) an amount equal to one and one-half percent (1.5%) of Consolidated Total Assets (to be determined by reference to the balance sheet of the Borrower most recently delivered pursuant to Section 6.01(a) or (b) ~~(or, for any determination occurring prior to the first delivery of financial statements pursuant to Section 6.01(a) or (b), to be determined by reference to the Pro Forma Financial Statements)~~).

7.02 Indebtedness.

Directly or indirectly create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under the Loan Documents;

(b) Indebtedness outstanding on the ~~Closing~~ Third Amendment Effective Date and listed on Schedule 7.02 (and any Permitted Refinancing thereof);

(c) Indebtedness in respect of Capitalized Leases, Synthetic Lease Obligations and purchase money obligations incurred to finance the purchase of fixed assets or to provide all or a portion of the purchase price or cost of construction for an asset, and renewals, replacements, refinancings and extensions thereof; provided, that, (i) the aggregate principal amount of all such Indebtedness shall not exceed \$75,000,000 at any one time outstanding, (ii) such Indebtedness when incurred shall not exceed the purchase price of the asset(s) financed or cost of construction of the asset, and (iii) no such Indebtedness shall be refinanced, renewed, replaced, restructured or extended for a principal amount in excess of the principal balance outstanding thereon at the time of such renewal, replacement, refinancing, restructuring or extension;

(d) Indebtedness of any Person acquired after the Closing Date in a Permitted Acquisition or other Acquisition permitted pursuant to Section 7.03, in each case to the extent such Indebtedness was existing at the time of such Permitted Acquisition or such other Acquisition; provided, that, (i) such Indebtedness shall not have been incurred in contemplation of such Permitted Acquisition or such other Acquisition, and (ii) the aggregate principal amount of all such Indebtedness outstanding at any one time shall not exceed an amount equal to the greater of (A) \$30,000,000, and (B) an amount equal to three percent (3%) of Consolidated Total Assets (to be determined by reference to the balance sheet of the Borrower most recently delivered pursuant to Section 6.01(a) or (b) ~~(or, for any determination occurring prior to the first delivery of financial statements pursuant to Section 6.01(a) or (b), to be determined by reference to the Pro Forma Financial Statements)~~);

(e) Indebtedness consisting of Earn Out Obligations incurred in connection with Permitted Acquisitions or other Acquisition permitted pursuant to Section 7.03;

(f) Indebtedness of any Subsidiary that is a not a Loan Party in an aggregate principal amount at any one time outstanding not to exceed the greater of (i) ~~\$30,000,000~~ 40,000,000, and (ii) an amount equal to three percent (3%) of Consolidated Total Assets (to be determined by reference to the balance sheet of the Borrower most recently delivered pursuant to Section 6.01(a) or (b) ~~(or, for any determination occurring prior to the first delivery of financial statements pursuant to Section 6.01(a) or (b), to be determined by reference to the Pro Forma Financial Statements)~~);

(g) intercompany Indebtedness permitted pursuant to Section 7.03 (“Intercompany Debt”); provided, that, in the case of Indebtedness owing by a Loan Party to any Subsidiary that is not a Loan Party, (i) such Indebtedness shall be subordinated to the Secured Obligations in a manner and to the extent acceptable to the Administrative Agent, (ii) such Indebtedness shall not be prepaid unless no Default exists immediately prior to and after giving effect to such prepayment, and (iii) except as otherwise permitted pursuant to Section 7.14(a)(iii), such Indebtedness shall not be repaid in cash or Cash Equivalents and shall not be renewed, extended, refinanced or replaced;

(h) obligations (contingent or otherwise) existing or arising under any Swap Contract (including in connection with any Permitted Call Spread Transaction); provided, that, (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation or taking a “market view;” and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

- (i) Indebtedness under Secured Cash Management Agreements;
- (j) Permitted Unsecured Debt (and any Permitted Refinancing thereof);
- (k) (i) Guarantees with respect to Indebtedness of any Loan Party otherwise permitted pursuant to this Section 7.02, and (ii) Guarantees consisting of a guarantee of any obligation (other than Indebtedness) performable by a Subsidiary;
- (l) Indebtedness in respect of workers' compensation claims, self-insurance obligations, performance bonds, surety, appeal or similar bonds and completion guarantees provided by the Borrower and its Subsidiaries in the ordinary course of business;
- (m) accrued or deferred expenses (including salaries, accrued vacation and other compensation) arising in the ordinary course of business;
- (n) Indebtedness in respect of premium financing arrangements; provided, that, (i) the aggregate principal amount of such Indebtedness shall not exceed the annual premium amount, and (ii) the aggregate principal amount of such Indebtedness, when taken together with the aggregate amount of obligations secured in reliance on Section 7.01(m), shall not exceed \$20,000,000 at any one time outstanding;
- (o) Indebtedness consisting of unsecured Guarantees by the Borrower or any of its Subsidiaries of purchase orders of any Subsidiary in an aggregate principal amount at any one time outstanding not to exceed \$5,000,000;
- (p) to the extent constituting Indebtedness, obligations arising in connection with Cash Management Agreements in an aggregate principal amount at any one time outstanding not to exceed \$5,000,000;
- (q) Indebtedness consisting of obligations owing under any dealer, customer or supplier incentive, supply, license or similar agreements entered into in the ordinary course of business;
- (r) to the extent constituting Indebtedness, customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business; ~~and~~
- (s) Indebtedness arising under or in connection with Bilateral Letters of Credit in an aggregate principal amount at any one time outstanding not to exceed \$15,000,000;
- (t) Indebtedness in respect of any Accounts Receivable Securitization Transaction; provided, that, (i) at the time of, and after giving effect to, the incurrence of Indebtedness, no Default exists, (ii) the aggregate amount of all Attributable Indebtedness with respect to all Accounts Receivable Securitization Transactions, plus the aggregate book value of all accounts receivable sold or purported to be sold in connection with all Permitted Supply Chain Financings, which remain uncollected and un-repurchased, shall not exceed \$50,000,000 at any time outstanding, (iii) upon giving Pro Forma Effect to the incurrence of such Indebtedness (and assuming for such purposes that the full amount of the commitments established in connection therewith are utilized, whether or not drawn at such time), (A) the Loan Parties would be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements

pursuant to Section 6.01(a) or (b), and (B) the Consolidated Leverage Ratio shall not exceed the Leverage Ratio Target (and, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with such conditions), (iv) any Accounts Receivable Securitization Transaction shall be non-recourse to, and shall not be Guaranteed by, the Borrower and/or any of its Subsidiaries (other than any SPE formed in connection therewith), other than with respect to purchase or repurchase obligations for breaches of representations and warranties, deemed collection, performance guaranties, and indemnity obligations and other similar undertakings in each case that are customary for similar standard market accounts receivable transactions, and (v) prior to the effectiveness of the Securitization Documents entered into in respect of any Accounts Receivable Securitization Transaction, the Administrative Agent shall have received a certificate from a Responsible Officer of the Borrower certifying that (A) such Accounts Receivable Securitization Transaction is permitted pursuant to this Section 7.02(t) (including reasonably detailed calculations to demonstrate compliance with the requirements set forth in clause (iii) of this proviso), and (B) attached thereto are true, complete and correct copies of such Securitization Documents; provided, further, that, neither the Borrower nor any of its Subsidiaries shall permit any SPE to, directly or indirectly, create, incur, assume or suffer to exist any Indebtedness other than Indebtedness (1) existing from time to time under the Permitted Securitization Transaction to which such SPE is a party, and (2) permitted under the applicable Securitization Documents to which such SPE is a party (it being understood and agreed that Indebtedness of any SPE described in this proviso shall be permitted pursuant to this Agreement to the extent such Indebtedness is otherwise permitted pursuant to this Section 7.02(t));

(u) to the extent constituting Indebtedness, any Supply Chain Financing Obligation; and

(sv) Indebtedness not permitted by any of the foregoing clauses of this Section 7.02 in an aggregate principal amount at any one time outstanding not to exceed the greater of (i) \$15,000,000, and (ii) an amount equal to one and one-half percent (1.5%) of Consolidated Total Assets (to be determined by reference to the balance sheet of the Borrower most recently delivered pursuant to Section 6.01(a) or (b) (or, for any determination occurring prior to the first delivery of financial statements pursuant to Section 6.01(a) or (b), to be determined by reference to the Pro Forma Financial Statements)).

7.03 Investments.

Directly or indirectly make or hold any Investments, except:

- (a) Investments in the form of cash and Cash Equivalents;
- (b) Investments existing as of the ~~Closing~~Third Amendment Effective Date and set forth on Schedule 7.03, as such Investments may be adjusted due to appreciation, repayment of principal, payment of interest, return of capital or similar circumstances;
- (c) Investments in any Person that is a Loan Party prior to, or simultaneously with, giving effect to such Investment;
- (d) Investments by any Subsidiary that is not a Loan Party in any other Subsidiary that is not a Loan Party;

(e) (i) receivables owing to any Loan Party or any Subsidiary, or (ii) any receivables and advances to suppliers; in each case, if created, acquired or made in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(f) (i) loans and advances to officers, directors and employees of the Borrower or any Subsidiary for relocation, travel, entertainment and related expenses, and (ii) loans and advances to employees of the Borrower or any Subsidiary made in the ordinary course of business; provided, that, in the case of clauses (i) and (ii), (A) such loans and advances shall comply with all applicable requirements of Law, and (B) the aggregate principal amount of all such loans and advances shall not exceed \$3,000,000 at any one time outstanding;

(g) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers of the Borrower or any Subsidiary and in the settlement of delinquent obligations of, and other disputes with, customers and suppliers of the Borrower or any Subsidiary arising in the ordinary course of business;

(h) (i) Swap Contracts permitted by Section 7.02(h); and (ii) the purchase of any Permitted Call Spread Transaction by the Borrower and the performance by the Borrower of its obligations thereunder;

~~(i) (i) Permitted Acquisitions; (ii) so long as such Acquisition is consummated on or prior to the date that is one hundred eighty (180) days after the Closing Date, the Telerob Acquisition; and (iii) so long as such Acquisition is consummated on or prior to the date that is one hundred eighty (180) days after the Closing Date, the Prism Acquisition;~~

(i) Permitted Acquisitions;

(j) Guarantees permitted by Section 7.02 (other than by reference to this Section 7.03 (or any clause hereof));

(k) Investments in joint ventures or minority Equity Interests (other than any Acquisition); provided, that, the aggregate amount of all such Investments shall not exceed the greater of (i) \$30,000,000, and (ii) an amount equal to three percent (3%) of Consolidated Total Assets (to be determined by reference to the balance sheet of the Borrower most recently delivered pursuant to Section 6.01(a) or (b) ~~(or, for any determination occurring prior to the first delivery of financial statements pursuant to Section 6.01(a) or (b), to be determined by reference to the Pro Forma Financial Statements)~~);

(l) Investments consisting of Permitted Liens, Indebtedness to the extent permitted pursuant to Section 7.02, fundamental changes to the extent permitted pursuant to Section 7.04, and Restricted Payments to the extent permitted pursuant to Section 7.06 (in each case, other than by reference to this Section 7.03 (or any clause hereof));

(m) Investments in any SPE formed in connection with any Permitted Securitization Transaction; provided, that, such Investments are customary in amount and scope to similar standard market accounts receivable transactions;

~~(n)~~ additional Investments (other than any Acquisition), including, for the avoidance of doubt, Investments in joint ventures or minority Equity Interests (other than any Acquisition), in an aggregate amount for all such Investments not to exceed the Available Amount; provided, that, (i) upon giving Pro Forma Effect to any such Investment, (A) the Loan Parties will be in

compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or (b), and (B) the Consolidated Leverage Ratio shall not exceed the Leverage Ratio Target (and, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with such ~~condition~~conditions), and (ii) no Default shall exist or would result from giving effect to any such Investment; and

(~~no~~) other Investments (other than any Acquisition) not permitted by any of the foregoing clauses of this Section 7.03 (including, for the avoidance of doubt, Investments in joint ventures or minority Equity Interests (other than any Acquisition) not otherwise permitted by any of the foregoing clauses of this Section 7.03); provided, that, (i) upon giving Pro Forma Effect to such Investment, (A) the Loan Parties will be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or (b), and (B) the Consolidated Leverage Ratio will be less than 2.75 to 1.0 (and, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with such conditions), and (ii) no Default shall exist or would result from giving effect to any such Investment.

7.04 Fundamental Changes.

Directly or indirectly merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person; provided, that, notwithstanding the foregoing provisions of this Section 7.04, but subject to the terms of Sections 6.12 and 6.13: (a) the Borrower may merge or consolidate with any of its Subsidiaries; provided, that, the Borrower shall be the continuing or surviving Person of such merger or consolidation; (b) any Loan Party (other than the Borrower) may merge or consolidate with any other Loan Party (other than the Borrower); (c) any Subsidiary that is not a Loan Party may merge or consolidate with any Loan Party; provided, that, such Loan Party shall be the continuing or surviving Person of such merger or consolidation; (d) any Subsidiary that is not a Loan Party may merge or consolidate with any other Subsidiary that is not a Loan Party; (e) the Borrower and any Subsidiary may engage in a Disposition permitted pursuant to Section 7.05, an Investment permitted pursuant to Section 7.03, or a Restricted Payment permitted pursuant to Section 7.06 (in each case other than by reference to this Section 7.04 (or any clause hereof)); and (f) any Subsidiary ~~that is not a Loan Party~~ may be dissolved, liquidated or wound up; provided, that, prior to or simultaneously (i) after giving effect thereto, no Default has occurred and is continuing, (ii) such dissolution, liquidation or winding up, as applicable, could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, and (iii) in connection with any such dissolution, liquidation or winding up, ~~any~~ assets of such Subsidiary shall be (A) transferred to the Borrower and/or one or more of its Subsidiaries (provided, that, if a Loan Party is dissolving, liquidating, or winding up, the assets of such Loan Party shall be transferred to a Loan Party or, to the extent required by law or binding contract, a creditor or creditors thereof, in connection with such dissolution, liquidation or winding up (or, if not transferred to a Loan Party, the assets of such Loan Party may be transferred to any other Person so long as (1) such transfer constitutes an Investment, and (2) such Investment shall be permitted pursuant to Section 7.03 (other than by reference to this Section 7.04 (or any clause hereof))), or (B) otherwise Disposed of in a disposition that is permitted pursuant to Section 7.05 (other than by reference to this Section 7.04 (or any clause hereof)).

7.05 Dispositions.

Directly or indirectly make any Disposition or enter into any agreement to make any Disposition, except for:

(a) any Permitted Transfer;

(b) the Disposition of non-core or non-strategic assets acquired in connection with a Permitted Acquisition or other Investment permitted pursuant to Section 7.03; ~~provided, that, (i) the Net Cash Proceeds of such Disposition are applied to prepay the Loans, if required, pursuant to Section 2.05(b)(i);~~[reserved], (ii) no Event of Default has occurred and is continuing both immediately prior to and after giving effect to such Disposition, and (iii) in connection with any such Disposition, the fair market value of such non-core or non-strategic assets (determined as of the date of acquisition thereof by the applicable Loan Party or applicable Subsidiary, as the case may be) so Disposed shall not exceed an amount equal to twenty-five percent (25%) of the purchase price paid for all assets acquired in such Permitted Acquisition or such Investment;

(c) any Disposition of an Investment in a joint venture or a Non-Wholly Owned Subsidiary, in each case to the extent required by, or made pursuant to, buy/sell arrangements between joint venture or similar parties set forth in the relevant joint venture arrangements and/or similar binding arrangements; ~~and~~

(d) the sale or purported sale of accounts receivable pursuant to any Supply Chain Financing; provided, that, (i) no Default shall have occurred and be continuing or would result from any such sale, (ii) any such sale shall be without recourse to the Borrower and its Subsidiaries, other than customary recourse terms provided for in the applicable definitive documentation governing such sale (including terms requiring the repurchase of (A) past due accounts receivable, and (B) accounts receivable for which the representations made with respect thereto shall prove to be untrue), (iii) the "discount rate" (or similar concept, however defined) applicable to any such sale (which shall be deemed to include any benchmark or floating rate underlying such rate) shall be reasonable and customary based on market terms, (iv) the definitive documentation governing any such sale shall be customary based on similar market transactions, (v) any lien release to be executed by the Administrative Agent in connection with any such sale shall be in form and substance reasonably satisfactory to the Administrative Agent, (vi) the proceeds received in connection with any such sale shall be paid into a deposit account that is subject to a Lien in favor of the Administrative Agent, for the benefit of the holders of the Secured Obligations, to secure the Secured Obligations pursuant to the terms and conditions of the Loan Documents, (vii) upon giving Pro Forma Effect to any such sale, (A) the Loan Parties would be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or (b), and (B) the Consolidated Leverage Ratio shall not exceed the Leverage Ratio Target (and, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with such conditions), and (viii) the aggregate book value of all such accounts receivable sold or purported to be sold in reliance on this Section 7.05(d) which remain uncollected and un-repurchased, plus the aggregate amount of all Attributable Indebtedness with respect to all Permitted Securitization Transactions, shall not exceed \$50,000,000 at any time outstanding;

(e) the sale or purported sale, transfer or other Disposition of Securitization Related Property pursuant to a Permitted Securitization Transaction; and

(f) ~~(d)~~ any other Disposition; provided, that: (i) the consideration paid in cash or Cash Equivalents in connection with such Disposition shall constitute not less than seventy five percent (75%) of the aggregate consideration to be received in connection therewith, and the total consideration paid in connection therewith shall be paid contemporaneous with consummation of such Disposition and shall be in an amount not less than the fair market value of the assets disposed of; (ii) such Disposition does not involve the sale or other disposition of a minority Equity Interest in any Loan Party; (iii) no Default has occurred and is continuing both immediately prior to and after giving effect to such Disposition; (iv) such Disposition does not involve a sale or other disposition of receivables other than receivables owned by or attributable to other property concurrently being disposed of in a transaction otherwise permitted hereunder; (v) ~~the Net Cash Proceeds of such Disposition are applied to prepay the Loans, if required, pursuant to Section 2.05(b)(i); (vi)~~ upon giving Pro Forma Effect to such Disposition, (A) the Loan Parties would be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or (b), and (B) the Consolidated Leverage Ratio shall not exceed the Leverage Ratio Target (and, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with such ~~condition~~conditions); and ~~(vii)~~ the aggregate Net Cash Proceeds of such Disposition, when taken together with the Net Cash Proceeds received from all other Dispositions made in reliance on this Section 7.05(d) (to the extent not reinvested in Eligible Assets within twelve (12) months of the date of such Disposition) in any fiscal year of the Borrower, shall not exceed an amount equal to ten percent (10%) of Consolidated Total Assets (to be determined by reference to the balance sheet of the Borrower most recently delivered pursuant to Section 6.01(a) or (b) ~~(or, for any determination occurring prior to the first delivery of financial statements pursuant to Section 6.01(a) or (b), to be determined by reference to the Pro Forma Financial Statements))~~ in such fiscal year).

7.06 Restricted Payments.

Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except:

(a) each Subsidiary may declare and make Restricted Payments to the Borrower and to any Subsidiary that owns Equity Interests of such Subsidiary (and, in the case of a dividend or other distribution by a Non-Wholly Owned Subsidiary of the Borrower, to the Borrower or other Subsidiary and to each other owner of Equity Interests of such Non-Wholly Owned Subsidiary ratably based on their relative ownership interests);

(b) the Borrower and each Subsidiary may declare and make Restricted Payments payable solely in the Qualified Capital Stock of such Person;

(c) the Borrower and each Subsidiary may redeem, repurchase, retire or otherwise acquire Equity Interests to the extent such redemption, repurchase, retirement or other acquisition is deemed to occur upon exercise of stock options if such Equity Interests represent a portion of the exercise price of such options;

(d) so long as no Default shall have occurred and be continuing at the time of such Restricted Payment or would result therefrom, the Borrower may repurchase or redeem Qualified Capital Stock of the Borrower held by officers, directors or employees or former officers, directors or employees (or their transferees, estates or beneficiaries under their estates) of the Borrower or any Subsidiary, upon their death, disability, retirement, severance or termination of

employment or service; provided, that, the aggregate cash consideration paid for all such redemptions and repurchases shall not exceed \$2,000,000 in any fiscal year of the Borrower; ~~and~~

(e) the Borrower or any Subsidiary may make any Restricted Payment; provided, that, (i) no Default shall have occurred and be continuing at the time of such Restricted Payment or would result therefrom, and (ii) upon giving Pro Forma Effect to any such Restricted Payment, (A) the Loan Parties would be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or (b), and (B) the Consolidated Leverage Ratio is less than 2.75 to 1.0 (and, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with such conditions); and

(f) to the extent constituting a Restricted Payment, any Junior Debt Payment permitted pursuant to Section 7.14(a)(iv).

7.07 Change in Nature of Business.

Directly or indirectly engage in any material line of business substantially different from those lines of business conducted by the Borrower and its Subsidiaries on the ~~Closing~~Third Amendment Effective Date or any business reasonably related, complimentary, ancillary or incidental thereto.

7.08 Transactions with Affiliates.

Directly or indirectly enter into or permit to exist any transaction or series of transactions with any officer, director or Affiliate of such Person other than (a) advances of working capital (i) by any Loan Party to any other Loan Party, or (ii) by any Subsidiary that is not a Loan Party to any Loan Party or any other Subsidiary, (b) transfers of cash and assets (i) by any Loan Party to any other Loan Party, or (ii) by any Subsidiary to any Loan Party or any other Subsidiary, (c) intercompany transactions (i) expressly permitted by Section 7.02, Section 7.03, Section 7.04, Section 7.05 or Section 7.06 (in each case, other than by reference to this Section 7.08 (or any clause hereof)), or (ii) solely among the Loan Parties and the Subsidiaries, (d) reasonable and customary officer, director and employee compensation (including bonuses) and other benefits (including retirement, health, stock option and other benefit plans) and reasonable indemnification and severance arrangements, in each case in the ordinary course of business, and (e) except as otherwise specifically prohibited in this Agreement, other transactions which are entered into in the ordinary course of such Person's business on terms and conditions substantially as favorable to such Person as would be obtainable by it in a comparable arms-length transaction with a Person other than an officer, director or Affiliate.

7.09 Burdensome Agreements.

Directly or indirectly enter into, or permit to exist, any Contractual Obligation that (a) encumbers or restricts the ability of any such Person to (i) make Restricted Payments to any Loan Party, (ii) pay any Indebtedness or other obligations owed to any Loan Party, (iii) make loans or advances to any Loan Party, (iv) transfer any of its property to any Loan Party, (v) pledge its property pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof, or (vi) act as a Loan Party pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof, except (in respect of any of the matters referred to in clauses (a)(i) through (a)(v) above) for (A) this Agreement and the other Loan Documents, (B) any instrument governing Indebtedness assumed in connection with any Permitted Acquisition or other Investment permitted pursuant to Section 7.03, which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other

than the Person or the properties or assets of the Person so acquired, (C) any such encumbrance or restriction consisting of customary non-assignment provisions in leases or licenses restricting leasehold interests or licenses, as applicable, entered into in the ordinary course of business, (D) customary provisions in joint venture agreements and other similar agreements that restrict the transfer of ownership interests in such joint venture or provisions limiting the disposition or distribution of assets or property (other than dividends on a pro rata basis based on ownership percentage), which limitation is applicable only to the assets that are the subject of such agreements, (E) customary restrictions and conditions contained in any agreement relating to the sale of any property permitted pursuant to Section 7.05 pending the consummation of such sale, ~~or~~ (F) any document or instrument governing any Permitted Lien, in each case, to the extent that any such restriction contained therein relates only to the asset or assets subject to such Liens, or (G) purchase or repurchase obligations for breaches of representations and warranties, deemed collection, performance guaranties, and indemnity obligations and other similar undertakings in Securitization Documents entered into in connection with Permitted Securitization Transactions (in each case, to the extent such undertakings are customary for similar standard market accounts receivable transactions), or (b) requires the grant of any security for any obligation if such property is given as security for the Secured Obligations (except to the extent such grant constitutes a Permitted Lien).

7.10 Use of Proceeds.

Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

7.11 Financial Covenants.

(a) Consolidated Senior Secured Leverage Ratio. Permit the Consolidated Senior Secured Leverage Ratio as of the end of any Measurement Period ending as of the end of any fiscal quarter of the Borrower to be greater than ~~(i) 3.00 to 1.0, for any fiscal quarter ending during the period from the Closing Date to and including October 30, 2021, (ii) 4.00 to 1.0, for any fiscal quarter ending during the period from October 31, 2021 to and including April 30, 2022, (iii) 3.50 to 1.0, for any fiscal quarter ending during the period from May 1, 2022 to and including October 31, 2022, and (iv) 3.00 to 1.0, for any fiscal quarter ending thereafter; provided, that, on and after November 1, 2022, upon the occurrence of a Qualified Acquisition, for each of the four (4) fiscal quarters of the Borrower immediately following the consummation of such Qualified Acquisition (including, for the avoidance of doubt, the fiscal quarter in which such Qualified Acquisition was consummated) (such period of increase, a "Leverage Increase Period"), the applicable ratio set forth above immediately prior to this proviso shall be increased to 3.50 to 1.0; provided, further, that, (A) no more than one (1) Leverage Increase Period shall be in effect at any time, (B) for at least two (2) fiscal quarters of the Borrower immediately following each Leverage Increase Period, the Consolidated Leverage Ratio as of the end of such fiscal quarters shall not be greater than 3.00 to 1.0 prior to giving effect to another Leverage Increase Period, and (C) each Leverage Increase Period shall only apply with respect to the calculation of the Consolidated Leverage Ratio for purposes of (1) determining compliance with the financial maintenance covenant set forth in this Section 7.11(a) as of the end of any period of four (4) consecutive fiscal quarters of the Borrower ending as of the last day of any fiscal quarter of the Borrower, and (2) determining the permissibility of the consummation of the Qualified Acquisition with respect to which such Leverage Increase Period relates (or, to the extent such Qualified Acquisition is financed with the proceeds of an Incremental Facility or any Permitted Unsecured Debt, for purposes of determining the permissibility of the incurrence of such~~

~~Incremental Facility or such Permitted Unsecured Debt in connection with the consummation of such Qualified Acquisition);~~ the Leverage Ratio Target.

(b) Consolidated Fixed Charge Coverage Ratio. Permit the Consolidated Fixed Charge Coverage Ratio as of the end of any Measurement Period ending as of the end of any fiscal quarter of the Borrower to be less than 1.25 to 1.0.

7.12 Amendments of Organization Documents; Changes in Fiscal Year, Legal Name, State of Organization, or Form of Entity; Accounting Changes.

(a) Amend any of its Organization Documents in any manner that is materially adverse to the Lenders.

(b) Change its fiscal year; ~~provided, that, the Closing Date Acquisition Target may change its fiscal year to match the fiscal year of the Borrower.~~

(c) Without providing ten (10) days prior written notice to the Administrative Agent (or such shorter period of time as agreed to by the Administrative Agent in its sole discretion), change its legal name, state of organization, or form of organization.

(d) Make any change in accounting policies or reporting practices, except as required by GAAP.

7.13 Sale and Leaseback Transactions.

Directly or indirectly enter into any Sale and Leaseback Transaction.

7.14 Junior Debt Payments.

Make: (a) any Junior Debt Payment except that: (i) a Permitted Refinancing permitted pursuant to Section 7.02(b) or Section 7.02(j) may be consummated; (ii) the Borrower may make Junior Debt Payments to the extent made solely with the Qualified Capital Stock of the Borrower; ~~and~~ (iii) the Borrower or any Subsidiary may make any Junior Debt Payment with the Available Amount; provided, that, (A) no Default shall have occurred and be continuing at the time of such Junior Debt Payment or would result therefrom, and (B) upon giving Pro Forma Effect to such Junior Debt Payment, (1) the Loan Parties would be in compliance with the financial covenants set forth in Section 7.11 as of the most recently ended fiscal quarter of the Borrower for which the Borrower was required to deliver financial statements pursuant to Section 6.01(a) or (b), and (2) the Consolidated Leverage Ratio shall not exceed the Leverage Ratio Target (and, in connection with any such payment in excess of \$5,000,000, if requested by the Administrative Agent or any Lender, the Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating compliance with such ~~condition~~ conditions); ~~(iv) the Borrower may make any payments of cash or deliveries in shares of Common Stock (or other securities or property following a merger event, reclassification or other change of the Common Stock) (and cash in lieu of fractional shares) pursuant to the terms of, and otherwise perform its obligations under, any Permitted Convertible Indebtedness (including making payments of interest and principal thereon, making payments due upon required repurchase thereof and/or making payments and deliveries upon conversion or settlement thereof); and (v) the Borrower may pay the premium in respect of, make any payments (of cash or deliveries in shares of Common Stock or other securities or property following a merger event, reclassification or other change of the Common Stock and cash in lieu of fractional shares) required by, and otherwise perform its obligations under, any Permitted Call Spread Transaction.~~

including in connection with any settlement, unwind or termination thereof; or (b) any payment in violation of any subordination and/or intercreditor terms applicable to any Junior Debt.

7.15 Amendment, Etc. of Junior Debt; Amendment, Etc. of Permitted Securitization Transactions.

Directly or indirectly amend, modify or change in any manner any term or condition of: (a) any Junior Debt; in each case any manner that is adverse in any material respect to the interest of the Lenders; or (b) any Permitted Securitization Transaction (or the Securitization Documents entered into in connection therewith) in any manner that is adverse in any material respect to the interest of the Lenders.

7.16 Sanctions.

Directly or knowingly indirectly use any Credit Extension or the proceeds of any Credit Extension, or lend, contribute or otherwise make available such Credit Extension or the proceeds of any Credit Extension to any Person, to fund any activities of or business with any Person, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as Lender, Arranger, Administrative Agent, L/C Issuer, Swingline Lender, or otherwise) of Sanctions.

7.17 Anti-Corruption Laws.

Directly or knowingly indirectly use any Credit Extension or the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other anti-corruption legislation in other jurisdictions.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default.

Any of the following shall constitute an “Event of Default”:

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or any L/C Obligation or deposit any funds as Cash Collateral in respect of L/C Obligations, or (ii) within three (3) days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) within five (5) days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 6.01, 6.02, 6.03(a), 6.05(a) (solely with respect to the Borrower), 6.10, 6.11, 6.15 or Article VII; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in Section 8.01(a) or (b)) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty (30) days after the earlier to occur of (i) a Responsible Officer of a Loan Party becoming aware of such failure, and (ii) written notice thereof being provided to the Borrower by the Administrative Agent or any Lender; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be materially incorrect or materially misleading (or, in each case, if such representation, warranty, certification or statement of fact is already qualified by materiality, incorrect or misleading in any respect) when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise but giving effect to any applicable grace and notice period with respect thereto) in respect of any Indebtedness or Guarantee (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or (B) fails to observe or perform (after giving effect to any applicable grace and notice period with respect thereto) any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; or (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which a Loan Party or any Subsidiary is the Defaulting Party (as defined in such Swap Contract), or (B) any Termination Event (as defined in such Swap Contract) under such Swap Contract as to which a Loan Party or any Subsidiary is an Affected Party (as defined in such Swap Contract) and, in either event, the Swap Termination Value owed by such Loan Party or such Subsidiary as a result thereof is greater than the Threshold Amount; ~~or~~provided, that, this Section 8.01(e) shall not apply to (1) any repurchase, prepayment, defeasance, redemption, conversion or settlement with respect to any Permitted Convertible Indebtedness pursuant to its terms unless such repurchase, prepayment, defeasance, redemption, conversion or settlement (x) results from a default thereunder, fundamental change (or equivalent term thereunder) or an event of the type that constitutes an Event of Default, and (y) in the case of any such conversion that can be satisfied in Common Stock at the election of the Borrower, the Borrower provides notice to the applicable holders of such Permitted Convertible Indebtedness that the conversion will be settled in cash (other than cash in lieu of fractional shares) in an amount that would not be permitted as a Junior Debt Payment under Section 7.14(a) (other than Section 7.14(a)(iv)), or (2) any early payment requirement or unwinding or termination with respect to any Permitted Call Spread Transaction; or

(f) Insolvency Proceedings, Etc. Any Loan Party or any Subsidiary institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty (60) days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is

instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party or any Subsidiary becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party or any Subsidiary (i) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer is rated at least "A" by A.M. Best Company, has been notified of the potential claim and does not dispute coverage), or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of thirty (30) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, or (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. Any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or upon the occurrence of the Facility Termination Date, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any provision of any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document; or it is or becomes unlawful for a Loan Party to perform any of its material obligations under the Loan Documents; or

(k) Collateral Documents. Any Collateral Document after delivery thereof pursuant to the terms of the Loan Documents shall for any reason cease to create a valid and perfected first priority Lien (subject to Permitted Liens) on any material portion of the Collateral purported to be covered thereby, or any Loan Party shall assert the invalidity of such Liens; or

(l) Change of Control. There occurs any Change of Control.

Without limiting the provisions of Article IX, if a Default shall have occurred under the Loan Documents, then such Default will continue to exist until it either is cured (to the extent specifically permitted) in accordance with the Loan Documents or is otherwise expressly waived by the Administrative Agent (with the approval of requisite Appropriate Lenders (in their sole discretion) as determined in accordance with Section 11.01); and once an Event of Default occurs under the Loan Documents, then such Event of Default will continue to exist until it is expressly waived by the requisite

Appropriate Lenders or by the Administrative Agent with the approval of the requisite Appropriate Lenders, as required hereunder in Section 11.01.

8.02 Remedies upon Event of Default.

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

- (a) declare the Commitments of each Lender to make Loans and any obligation of each L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such Commitments and obligation shall be terminated;
- (b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;
- (c) require that the Borrower Cash Collateralize the L/C Obligations (in an amount equal to the Minimum Collateral Amount with respect thereto); and
- (d) exercise on behalf of itself, the Lenders and the L/C Issuers all rights and remedies available to it, the Lenders and the L/C Issuers under the Loan Documents or applicable Law or equity;

provided, that, upon the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of each L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

8.03 Application of Funds.

After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02) or if at any time insufficient funds are received by and available to the Administrative Agent to pay fully all Secured Obligations then due hereunder, any amounts received on account of the Secured Obligations shall, subject to the provisions of Sections 2.14 and 2.15, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Secured Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Secured Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuers (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuers) arising under the Loan Documents and amounts payable

under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Secured Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans, L/C Disbursements and other Secured Obligations arising under the Loan Documents, ratably among the Lenders and the L/C Issuers in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Secured Obligations constituting unpaid principal of the Loans, L/C Disbursements ~~and~~, Secured Obligations then owing under the Secured Hedge Agreements ~~and~~, the Secured Cash Management Agreements and the Secured Bilateral Letters of Credit, and to the Administrative Agent for the account of the L/C Issuers, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit to the extent required by, and not otherwise Cash Collateralized by the Borrower pursuant to, Sections 2.03 and 2.14, in each case ratably among the Administrative Agent, the Lenders, the L/C Issuers, the Secured Hedge Banks ~~and~~, the Secured Cash Management Banks and the Secured Bilateral Letter of Credit L/C Issuers in proportion to the respective amounts described in this clause Fourth held by them; and

Last, the balance, if any, after all of the Secured Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Subject to Sections 2.03(q) and 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fourth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Secured Obligations, if any, in the order set forth above. Excluded Swap Obligations with respect to any Guarantor shall not be paid with amounts received from such Guarantor or its assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Secured Obligations otherwise set forth above in this Section 8.03.

Notwithstanding the foregoing, Secured Obligations arising under Secured Cash Management Agreements ~~and~~, Secured Hedge Agreements and Secured Bilateral Letters of Credit shall be excluded from the application described above if the Administrative Agent has not received a Secured Party Designation Notice, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank ~~or~~, the applicable Hedge Bank or the applicable Bilateral Letter of Credit L/C Issuer, as the case may be. Each Secured Cash Management Bank ~~or~~, each Secured Hedge Bank and each Secured Bilateral Letter of Credit L/C Issuer that is not a party to this Agreement and that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX for itself and its Affiliates as if a “Lender” party hereto.

ARTICLE IX

ADMINISTRATIVE AGENT

9.01 Appointment and Authority.

(a) Appointment. Each of the Lenders and the L/C Issuers hereby irrevocably appoints, designates and authorizes Bank of America to act on its behalf as the Administrative

Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article IX are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuers, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) Collateral Agent. The Administrative Agent shall also act as the “collateral agent” under the Loan Documents, and each of the Lenders (including in its capacities as a potential Secured Hedge Bank ~~and~~ a potential Secured Cash Management Bank and a potential Secured Bilateral Letter of Credit L/C Issuer) and the L/C Issuers hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and such L/C Issuer for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as “collateral agent” and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 9.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of this Article IX and Article XI (including Section 11.04(c)), as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Loan Documents) as if set forth in full herein with respect thereto.

9.02 Rights as a Lender.

The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust, financial, advisory, underwriting or other business with any Loan Party or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders or to provide notice to or consent of the Lenders with respect thereto.

9.03 Exculpatory Provisions.

(a) Neither the Administrative Agent nor any Arranger, as applicable, shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, none of the Administrative Agent, any Arranger, or any of their respective Related Parties:

(i) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided, that, the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; or

(iii) shall have any duty or responsibility to disclose, and shall not be liable for the failure to disclose, to any Lender or any L/C Issuer any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any of the Loan Parties or any of their Affiliates that is communicated to, or in the possession of, the Administrative Agent, such Arranger or any of their respective Related Parties in any capacity, except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent herein.

(b) Neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or not taken by the Administrative Agent under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby or thereby (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary), or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 8.02), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower, a Lender or an L/C Issuer.

(c) Neither the Administrative Agent nor any of its Related Parties have any duty or obligation to any Lender or participant or any other Person to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or the sufficiency of any Collateral, or (vi) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

9.04 Reliance by Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall be fully protected in relying and shall not incur any liability for relying upon, any notice, request, certificate, communication, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or

otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall be fully protected in relying and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or such L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or such L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts. For purposes of determining compliance with the conditions specified in Section ~~4-012~~ of the Third Amendment, each Lender that has signed ~~this Agreement~~ the Third Amendment shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed ~~Closing~~ Third Amendment Effective Date specifying its objections.

9.05 Delegation of Duties.

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article IX shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Facilities as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.06 Resignation of Administrative Agent.

(a) Notice. The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuers and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, and, at all times other than during the existence of an Event of Default, with the Borrower's consent (such consent not to be unreasonably withheld), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the L/C Issuers, appoint a successor Administrative Agent meeting the qualifications set forth above; provided, that, in no event shall any successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) Defaulting Lender. If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent

permitted by applicable Law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, and, at all times other than during the existence of an Event of Default, with the Borrower's consent (such consent not to be unreasonably withheld), appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) Effect of Resignation or Removal. With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the L/C Issuers under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed), and (ii) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and each L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than as provided in Section 3.01(h) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date (as applicable)), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section 9.06(c)). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article IX and Section 11.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (A) while the retiring or removed Administrative Agent was acting as Administrative Agent, and (B) after such resignation or removal for as long as any of them continues to act in any capacity hereunder or under the other Loan Documents, including (1) acting as collateral agent or otherwise holding any collateral security on behalf of any of the Secured Parties, and (2) in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

(d) L/C Issuer and Swingline Lender. Any resignation or removal by Bank of America as Administrative Agent pursuant to this Section 9.06 shall also constitute its resignation as an L/C Issuer and the Swingline Lender. If Bank of America resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit issued by it and outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Revolving Lenders to make Revolving Loans that are Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(f). If Bank of America resigns as the Swingline Lender, it shall retain all the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Revolving Lenders to make Revolving Loans that are Base Rate

Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.04(c). Upon the appointment by the Borrower of a successor L/C Issuer or Swingline Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swingline Lender, as applicable, (ii) the retiring L/C Issuer and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (iii) the successor L/C Issuer shall issue Letters of Credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

9.07 Non-Reliance on Administrative Agent, Arrangers and Other Lenders.

Each Lender and each L/C Issuer expressly acknowledges that none of the Administrative Agent nor any Arranger has made any representation or warranty to it, and that no act by the Administrative Agent or any Arranger hereafter taken, including any consent to, and acceptance of any assignment or review of the affairs of any Loan Party or any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent or any Arranger to any Lender or any L/C Issuer as to any matter, including whether the Administrative Agent or any Arranger have disclosed material information in their (or their respective Related Parties') possession. Each Lender and each L/C Issuer represents to the Administrative Agent and each Arranger that it has, independently and without reliance upon the Administrative Agent, such Arranger, any other Lender or any of their respective Related Parties, and based on such documents and information as it has deemed appropriate, made its own credit analysis of, appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrower and its Subsidiaries, and all applicable bank or other regulatory Laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrower hereunder. Each Lender and each L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent, any Arranger, any other Lender or any of their respective Related Parties, and based on such documents and information as it shall from time to time deem appropriate, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Loan Parties. Each Lender and each L/C Issuer represents and warrants that (a) the Loan Documents set forth the terms of a commercial lending facility, and (b) it is engaged in making, acquiring or holding commercial loans in the ordinary course and is entering into this Agreement as a Lender or an L/C Issuer for the purpose of making, acquiring or holding commercial loans and providing other facilities set forth herein as may be applicable to such Lender or such L/C Issuer, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument, and each Lender and each L/C Issuer agrees not to assert a claim in contravention of the foregoing. Each Lender and each L/C Issuer represents and warrants that it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender or such L/C Issuer, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities.

9.08 No Other Duties, Etc.

Anything herein to the contrary notwithstanding, none of the titles listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan

Documents, except in its capacity, as applicable, as the Administrative Agent, an Arranger, a Lender or an L/C Issuer hereunder.

9.09 Administrative Agent May File Proofs of Claim; Credit Bidding.

In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Secured Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuers and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuers and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuers and the Administrative Agent under Sections 2.03(l) and (m), 2.09, 2.10(b) and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuers, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09, 2.10(b) and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Secured Obligations or the rights of any Lender or any L/C Issuer to authorize the Administrative Agent to vote in respect of the claim of any Lender or any L/C Issuer or in any such proceeding.

The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Secured Obligations (including accepting some or all of the Collateral in satisfaction of some or all of the Secured Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (i) at any sale thereof conducted under the provisions of the Bankruptcy Code of the United States, including under Sections 363, 1123 or 1129 of the Bankruptcy Code of the United States, or any similar Laws in any other jurisdictions to which a Loan Party is subject, or (ii) at any other sale or foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable Law. In connection with any such credit bid and purchase, the Secured Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Secured Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent

interests) in the asset or assets so purchased (or in the Equity Interests or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase). In connection with any such bid (A) the Administrative Agent shall be authorized to form one or more acquisition vehicles to make a bid, (B) [the Administrative Agent shall be authorized](#) to adopt documents providing for the governance of the acquisition vehicle or vehicles (~~provided, that~~, any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or Equity Interests thereof shall be governed, directly or indirectly, by the vote of the Required Lenders, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in [Section 11.01](#)), and (C) to the extent that Secured Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Secured Obligations assigned to the acquisition vehicle exceeds the amount of debt credit bid by the acquisition vehicle or otherwise), such Secured Obligations shall automatically be reassigned to the Lenders pro rata and the Equity Interests and/or debt instruments issued by any acquisition vehicle on account of the Secured Obligations that had been assigned to the acquisition vehicle shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action.

9.10 Collateral and Guaranty Matters.

Each of the Lenders (including in its capacities as a potential [Secured Cash Management Bank](#), [a potential Secured Hedge Bank](#), and a potential ~~Hedge Bank~~[Secured Bilateral Letter of Credit L/C Issuer](#)) and each of the L/C Issuers irrevocably authorize the Administrative Agent, at its option and in its discretion:

- (a) to release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (i) upon the Facility Termination Date, (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document [to a Person that is not a Loan Party](#), or (iii) if approved, authorized or ratified in writing by the Required Lenders in accordance with [Section 11.01](#);
- (b) to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by [Section 7.01\(c\)](#);
- (c) to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents; and
- (d) to negotiate, execute, deliver and perform any intercreditor agreement and/or any subordination agreement in respect of any Indebtedness permitted to be incurred pursuant to [Section 7.02](#).

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this [Section 9.10](#), or to take any other action described above in this [Section 9.10](#). In each case as specified in this [Section 9.10](#), the Administrative Agent will, at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations

under the Guaranty, in each case in accordance with the terms of the Loan Documents and this [Section 9.10](#).

The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

9.11 [Secured Cash Management Agreements](#) ~~and~~ [Secured Hedge Agreements](#) ~~and~~ [Secured Bilateral Letters of Credit](#).

Except as otherwise expressly set forth herein, no [Secured](#) Cash Management Bank ~~or~~ [Secured](#) Hedge Bank [or Secured Bilateral Letter of Credit L/C Issuer](#) that obtains the benefit of the provisions of [Section 8.03](#), the Guaranty or any Collateral by virtue of the provisions hereof or any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Guaranty or any Collateral Document) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this [Article IX](#) to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Obligations arising under [or with respect to](#) [Secured Cash Management Agreements](#) ~~and~~ [Secured Hedge Agreements](#) ~~and~~ [Secured Bilateral Letters of Credit](#), except to the extent expressly provided herein and unless the Administrative Agent has received a Secured Party Designation Notice of such Secured Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank ~~or~~ the applicable Hedge Bank [or the applicable Bilateral Letter of Credit L/C Issuer](#), as the case may be; ~~provided, that~~, notwithstanding the foregoing, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Obligations arising under [or with respect to](#) [Secured Cash Management Agreements](#) ~~and~~ [Secured Hedge Agreements](#) ~~and~~ [Secured Bilateral Letters of Credit](#) in the case of a Facility Termination Date.

9.12 [Certain ERISA Matters](#).

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments, or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class

exemption for certain transactions involving bank collective investment funds) or PTE 96–23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84–14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84–14, and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84–14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any other Loan Document or any documents related hereto or thereto).

9.13 Recovery of Erroneous Payments.

Without limitation of any other provision in this Agreement, if at any time the Administrative Agent makes a payment hereunder in error to any Lender Party, whether or not in respect of an Obligation due and owing by the Borrower at such time, where such payment is a Rescindable Amount, then in any such event, each Lender Party receiving a Rescindable Amount severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount received by such Lender Party in immediately available funds in the currency so received, with interest thereon, for each day from and including the date such Rescindable Amount is received by it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender Party irrevocably waives any and all defenses, including any “discharge for value” (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another) or similar defense to its obligation to return any Rescindable Amount. The Administrative Agent shall inform each Lender Party promptly upon determining that any payment made to such Lender Party comprised, in whole or in part, a Rescindable Amount.

ARTICLE X

CONTINUING GUARANTY

10.01 Guaranty.

Each Guarantor hereby absolutely and unconditionally, jointly and severally guarantees, as primary obligor and as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all Secured Obligations (for each Guarantor, subject to the proviso in this sentence, its “Guaranteed Obligations”); provided, that, (a) the Guaranteed Obligations of a Guarantor shall exclude any Excluded Swap Obligations with respect to such Guarantor, and (b) the liability of each Guarantor individually with respect to this Guaranty shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of any applicable state law. Without limiting the generality of the foregoing, the Guaranteed Obligations shall include any such indebtedness, obligations, and liabilities, or portion thereof, which may be or hereafter become unenforceable or compromised or shall be an allowed or disallowed claim under any proceeding or case commenced by or against any Loan Party under any Debtor Relief Laws. The Administrative Agent’s books and records showing the amount of the Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon each Guarantor, and conclusive for the purpose of establishing the amount of the Secured Obligations. This Guaranty shall not be affected by the illegality, genuineness, validity, regularity or enforceability of the Secured Obligations or any instrument or agreement evidencing any Secured Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Secured Obligations which might otherwise constitute a defense to the obligations of the Guarantors, or any of them, under this Guaranty, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

10.02 Rights of Lenders.

Each Guarantor consents and agrees that the Secured Parties may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Secured Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Guaranty or any Secured Obligations; (c) apply such security and direct the order or manner of sale thereof as the Administrative Agent, the L/C Issuers and the Lenders in their sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Secured Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of such Guarantor under this Guaranty or which, but for this provision, might operate as a discharge of such Guarantor.

10.03 Certain Waivers.

Each Guarantor waives, to the fullest extent permitted by law: (a) any defense arising by reason of any disability or other defense of the Borrower or any other guarantor, or the cessation from any cause

whatsoever (including any act or omission of any Secured Party) of the liability of the Borrower or any other Loan Party; (b) any defense based on any claim that such Guarantor's obligations exceed or are more burdensome than those of the Borrower or any other Loan Party; (c) the benefit of any statute of limitations affecting any Guarantor's liability hereunder; (d) any right to proceed against the Borrower or any other Loan Party, proceed against or exhaust any security for the Secured Obligations, or pursue any other remedy in the power of any Secured Party whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by any Secured Party; (f) any defense arising by reason of any change in the corporate existence, structure or ownership of any Loan Party; and (g) any and all other defenses or benefits that may be derived from or afforded by applicable Law limiting the liability of or exonerating guarantors or sureties.

Each Guarantor, to the fullest extent permitted by law, expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Secured Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Secured Obligations.

10.04 Obligations Independent.

The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Secured Obligations and the obligations of any other guarantor, and a separate action may be brought against each Guarantor to enforce this Guaranty whether or not the Borrower or any other person or entity is joined as a party.

10.05 Subrogation.

No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guaranty until all of the Secured Obligations and any amounts payable under this Guaranty have been indefeasibly paid and performed in full (other than contingent indemnification obligations for which no claim has been asserted) and the Commitments and the Facilities are terminated. If any amounts are paid to a Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Secured Parties to reduce the amount of the Secured Obligations, whether matured or unmatured.

10.06 Termination; Reinstatement.

This Guaranty is a continuing and irrevocable guaranty of all Secured Obligations now or hereafter existing and shall remain in full force and effect until the Facility Termination Date. Notwithstanding the foregoing, this Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of the Borrower or a Guarantor is made, or any of the Secured Parties exercises its right of setoff, in respect of the Secured Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by any of the Secured Parties in their discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Secured Parties are in possession of or have released this Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under this Section 10.06 shall survive termination of this Guaranty.

10.07 Stay of Acceleration.

If acceleration of the time for payment of any of the Secured Obligations is stayed, in connection with any case commenced by or against a Guarantor or the Borrower under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by each Guarantor, jointly and severally, immediately upon demand by the Secured Parties.

10.08 Condition of Borrower.

Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Borrower and any other guarantor such information concerning the financial condition, business and operations of the Borrower and any such other guarantor as such Guarantor requires, and that none of the Secured Parties has any duty, and such Guarantor is not relying on the Secured Parties at any time, to disclose to it any information relating to the business, operations or financial condition of the Borrower or any other guarantor (each Guarantor waiving any duty on the part of the Secured Parties to disclose such information and any defense relating to the failure to provide the same).

10.09 Appointment of Borrower.

Each of the Loan Parties hereby appoints the Borrower to act as its agent for all purposes of this Agreement, the other Loan Documents and all other documents and electronic platforms entered into in connection herewith and agrees that (a) the Borrower may execute such documents and provide such authorizations on behalf of such Loan Parties as the Borrower deems appropriate in its sole discretion and each Loan Party shall be obligated by all of the terms of any such document and/or authorization executed on its behalf, (b) any notice or communication delivered by the Administrative Agent, an L/C Issuer or a Lender to the Borrower shall be deemed delivered to each Loan Party, and (c) the Administrative Agent, the L/C Issuers or the Lenders may accept, and be permitted to rely on, any document, authorization, instrument or agreement executed by the Borrower on behalf of each of the Loan Parties.

10.10 Right of Contribution.

The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable Law.

10.11 Keepwell.

Each Loan Party that is a Qualified ECP Guarantor at the time the Guaranty or the grant of a Lien under the Loan Documents, in each case, by any Specified Loan Party becomes effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Article X voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations and undertakings of each Qualified ECP Guarantor under this Section 10.11 shall remain in full force and effect until the Secured Obligations have been indefeasibly paid and performed in full (other than contingent indemnification obligations for which no claim has been asserted). Each Loan Party intends this Section 10.11 to constitute, and this Section 10.11 shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

ARTICLE XI

MISCELLANEOUS

11.01 Amendments, Etc.

No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders (or by the Administrative Agent with the consent of the Required Lenders) and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, that, no such amendment, waiver or consent shall:

(a) extend or increase any Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender (it being understood and agreed that a waiver of any condition precedent in Section 4.02 or of any Default is not considered an extension of or increase in any Commitment of any Lender);

(b) postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayments) of principal, interest, fees or other amounts due to any Lender hereunder or under such other Loan Document without the written consent of such Lender entitled to such payment;

(c) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Disbursement, or (subject to clause (iv) of the final proviso to this Section 11.01) any fees or other amounts payable to any Lender hereunder or under any other Loan Document without the written consent of such Lender entitled to such amount; provided, that, only the consent of the Required Lenders shall be necessary to amend (i) the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest or Letter of Credit Fees at the Default Rate, ~~or~~ (ii) any financial covenant hereunder (or any defined term used therein), even if the effect of such amendment would be to reduce the rate of interest on any Loan or Letter of Credit or to reduce any fee payable hereunder, or (iii) the Consolidated Leverage Ratio (or any defined term used therein), even if the effect of such amendment would be to reduce the rate of interest on any Loan or Letter of Credit or to reduce any fee payable hereunder;

(d) change Section 2.12(f), Section 2.13, Section 8.03 or any other provision hereof relating to the pro rata sharing of payments among the Lenders in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender that is directly and adversely affected thereby;

(e) change (i) any provision of this Section 11.01, or the definition of "Required Lenders," or any other provision of any Loan Document specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or thereunder or make any determination or grant any consent hereunder or without the written consent of each Lender, or (ii) the definition of "Required Revolving Lenders" without the written consent of each Revolving Lender;

(f) release all or substantially all of the Collateral in any transaction or series of related transactions without the written consent of each Lender;

(g) release all or substantially all of the value of the Guaranty without the written consent of each Lender, except to the extent the release of any Subsidiary from the Guaranty is permitted pursuant to Section 9.10 (in which case such release may be made by the Administrative Agent acting alone);

(h) (i) subordinate, or enter into any amendment, waiver or consent having the effect of subordinating, the Obligations to any other Indebtedness or other obligation, (ii) subordinate, or enter into any amendment, waiver or consent having the effect of subordinating, the Liens securing the Secured Obligations to Liens securing any other Indebtedness or other obligation, in each case, without the written consent of each Lender; or

(i) release the Borrower or permit the Borrower to assign or transfer any of its rights or obligations under this Agreement or the other Loan Documents without the written consent of each Lender;

provided, further, that, notwithstanding anything herein to the contrary: (i) no amendment, waiver or consent shall, unless in writing and signed by the applicable L/C Issuer in addition to the Lenders required above, affect the rights or duties of such L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swingline Lender in addition to the Lenders required above, affect the rights or duties of the Swingline Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; (iv) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto; (v) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender, or all Lenders or each affected Lender under a Facility, may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (A) any Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender, and (B) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender, or all Lenders or each affected Lender under a Facility, that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender; (vi) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersedes the unanimous consent provisions set forth herein; (vii) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders; (viii) in order to implement any Incremental Facility in accordance with Section 2.02(g), this Agreement and any other Loan Document may be amended as set forth in Section 2.02(g); (ix) this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent, the Borrower, the other Loan Parties and the relevant lenders providing such additional credit facilities to add one or more additional credit facilities to this Agreement, to permit the extensions of credit from time to time outstanding hereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Incremental Term Loans and the Revolving Loans and the accrued interest and fees in respect thereof and to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders; (x) if following the Closing Date, the Administrative Agent and the Borrower shall have jointly identified an inconsistency, obvious error or omission, in each case, of a technical or immaterial nature, in any provision of the Loan Documents, then the Administrative Agent and the Loan Parties shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other

party to any Loan Documents if the same is not objected to in writing by the Required Lenders within five (5) Business Days following receipt of notice thereof; (xi) this Agreement may be amended (or amended and restated) without the consent of any Lender (but with the consent of the Borrower and the Administrative Agent) if, upon giving effect to such amendment (or such amendment and restatement), such Lender shall no longer be a party to this Agreement (as so amended (or amended and restated)), the Commitments of such Lender shall have terminated, such Lender shall have no other commitment or other obligations hereunder and such Lender shall have been paid in full all principal, interest and other amounts owing to it or accrued for its account under this Agreement and the other Loan Documents; (xii) this Agreement or any other Loan Document may be amended as set forth in Section 3.03, including in order to implement any Successor Rate and any Conforming Changes in connection therewith; (xiii) the L/C Commitment of any L/C Issuer may be modified from time to time by agreement between such L/C Issuer and the Borrower and notified to the Administrative Agent; and (xiv) the Administrative Agent will have the right to make Conforming Changes from time to time and any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document, so long as, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Borrower and the Lenders reasonably promptly after such amendment becomes effective.

11.02 Notices; Effectiveness; Electronic Communications.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in Section 11.02(b)), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax transmission or e-mail transmission as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or any other Loan Party, the Administrative Agent, Bank of America in its capacity as an L/C Issuer, or the Swingline Lender, to the address, fax number, e-mail address or telephone number specified for such Person on Schedule 1.01(a); and

(ii) if to any other Lender (including in such Lender's capacity as an L/C Issuer), to the address, fax number, e-mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by fax transmission shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in Section 11.02(b) shall be effective as provided in Section 11.02(b).

(b) Electronic Communications. Notices and other communications to the Administrative Agent, the Lenders, the Swingline Lender and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail, FPML messaging and

Internet or intranet websites) pursuant to an electronic communications agreement (or such other procedures approved by the Administrative Agent in its sole discretion); provided, that, the foregoing shall not apply to notices to any Lender, the Swingline Lender or any L/C Issuer pursuant to Article II if such Lender, the Swingline Lender or such L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under Article II by electronic communication. The Administrative Agent, the Swingline Lender, any L/C Issuer or the Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices and other communications posted to an Internet or intranet website shall be deemed received by the intended recipient upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail address or other written acknowledgement) indicating that such notice or communication is available and identifying the website address therefor; provided, that, for both clauses (i) and (ii), if such notice or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender, any L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's, any other Loan Party's or the Administrative Agent's transmission of Borrower Materials or notices through the Platform, any other electronic platform or electronic messaging service, or through the Internet, except to the extent such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party.

(d) Change of Address, Etc. Each of the Borrower, the Administrative Agent, each L/C Issuer and the Swingline Lender may change its address, fax number or telephone number or e-mail address for notices and other communications hereunder by notice to the other parties hereto. Each Lender may change its address, fax number or telephone number or e-mail address for notices and other communications hereunder by notice to the Borrower, the Administrative Agent, the L/C Issuers and the Swingline Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, fax number and e-mail address to which notices and other communications may be sent, and (ii) accurate wire instructions for such

Lender. Furthermore, each Public Lender agrees to cause at least one (1) individual at or on behalf of such Public Lender to at all times have selected the “Private Side Information” or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender’s compliance procedures and applicable Law, including United States federal and state securities Laws, to make reference to Borrower Materials that are not made available through the “Public Side Information” portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuers and Lenders. The Administrative Agent, the L/C Issuers and the Lenders shall be entitled to rely and act upon any notices (including telephonic or electronic notices, Loan Notices, Letter of Credit Applications, Notices of Loan Prepayment, and Swingline Loan Notices) purportedly given by or on behalf of any Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify the Administrative Agent, each L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement.

No failure by any Lender, any L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or under any other Loan Document preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuers; provided, that, the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any L/C Issuer or the Swingline Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as an L/C Issuer or the Swingline Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.13), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; provided, further, that, if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02, and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (limited, in the case of legal counsel, to the reasonable and documented fees, charges and disbursements of one primary counsel to the Administrative Agent and, if reasonably necessary, one local counsel for the Administrative Agent in each relevant jurisdiction and one specialty counsel for the Administrative Agent in each relevant specialty (and, solely in the case of an actual or potential conflict of interest of any of the foregoing counsel, one additional primary, local or specialty counsel, as the case may be, to the affected persons similarly situated and taken as a whole)) in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable and documented out-of-pocket expenses incurred by any L/C Issuer in connection with the issuance, amendment, renewal, reinstatement or extension of any Letter of Credit or any demand for payment thereunder, and (iii) all documented out-of-pocket expenses incurred by the Administrative Agent, any Lender or any L/C Issuer (including the fees, charges and disbursements of counsel for the Administrative Agent, any Lender, or any L/C Issuer), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 11.04, or (B) in connection with Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify the Administrative Agent (and any sub-agent thereof), each Arranger, each Lender and each L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnatee") against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of any counsel for any Indemnatee (provided, that, with respect to the reasonable fees, charges and disbursements of counsel, such indemnification shall be limited to the reasonable and documented out-of-pocket fees, disbursements and other charges of one primary counsel for all Indemnitees, taken as a whole, and, if reasonably necessary, a single local counsel for all Indemnitees, taken as a whole, in each relevant jurisdiction and a single specialty counsel for all Indemnitees, taken as a whole, with respect to each relevant specialty, and in the case of an actual or perceived conflict of interest, one additional primary, local or specialty counsel, as the case may be to the affected Indemnitees similarly situated and taken as a whole)) incurred by any Indemnatee or asserted against any Indemnatee by any Person (including the Borrower or any other Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby (including any Indemnatee's reliance on any Communication executing using an Electronic Signature or in the form of an Electronic Record), the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by an L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property owned,

leased or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, **IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNITEE;** provided, that, such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. Without limiting the provisions of Section 3.01(d), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under Section 11.04(a) or Section 11.04(b) to be paid by it to the Administrative Agent (or any sub-agent thereof), any L/C Issuer, the Swingline Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), such L/C Issuer, the Swingline Lender or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought); provided, that, the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), such L/C Issuer or the Swingline Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), such L/C Issuer or the Swingline Lender in connection with such capacity. The obligations of the Lenders under this Section 11.04(c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, no Loan Party shall assert, and each Loan Party hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in Section 11.04(b) shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby, other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section 11.04 shall be payable not later than ten (10) Business Days after demand therefor.

(f) Survival. The agreements in this Section 11.04 and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Administrative Agent, any L/C Issuer and the Swingline Lender, the replacement of any Lender, and the Facility Termination Date.

11.05 Payments Set Aside.

To the extent that any payment by or on behalf of the Borrower is made to the Administrative Agent, any L/C Issuer or any Lender, or the Administrative Agent, any L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, such L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and each L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders and the L/C Issuers under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except neither the Borrower nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of Section 11.06(b), (ii) by way of participation in accordance with the provisions of Section 11.06(d), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 11.06(e) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 11.06(d) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuers and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment(s) and the Loans (including for purposes of this Section 11.06(b), participations in L/C Obligations and in Swingline Loans) at the time owing to it); provided, that, any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) In the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility and/or the Loans at the

time owing to it (in each case with respect to any Facility) or contemporaneous assignments to related Approved Funds (determined after giving effect to such assignments) that equal at least the amount specified in Section 11.06(b)(i)(B) in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned.

(B) In any case not described in Section 11.06(b)(i)(A), the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if “Trade Date” is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000, in the case of any assignment in respect of the Revolving Facility, or \$1,000,000, in the case of any assignment in respect of any Incremental Term Facility, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender’s rights and obligations under this Agreement and the other Loan Documents with respect to the Loans and/or the Commitment assigned, except that this Section 11.06(b)(ii) shall not (A) apply to the Swingline Lender’s rights and obligations in respect of Swingline Loans, or (B) prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by Section 11.06(b)(i)(B) and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment, or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided, that, the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received written notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of (1) any Revolving Commitment if such assignment is to a Person that is not a Lender with a Revolving Commitment, an Affiliate of such Lender or an Approved Fund with respect to such Lender, or (2) any Incremental Term Loan to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund; and

(C) the consent of each L/C Issuer and the Swingline Lender shall be required for any assignment in respect of the Revolving Facility.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together

with a processing and recordation fee in the amount of \$3,500; provided, that, the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or (C) to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated by or for the primary benefit of one or more natural Persons).

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (A) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, any L/C Issuer or any Lender hereunder (and interest accrued thereon), and (B) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swingline Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this Section 11.06(b)(vi), then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 11.06(c), from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment); provided, that, except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 11.06(b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 11.06(d).

(c) Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender (with respect to such Lender's interest only), at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person, or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of one or more natural Persons, a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations and/or Swingline Loans) owing to it); provided, that, (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Administrative Agent, the Lenders and the L/C Issuers shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participations.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided, that, such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 11.01 that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 (subject to the requirements and limitations therein, including the requirements under Section 3.01(f) (it being understood that the documentation required under Section 3.01(f) shall be delivered to the Lender who sells the participation)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 11.06(b); provided, that, such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under Section 11.06(b), and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender; provided, that, such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal

amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided, that, no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note or Notes, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided, that, no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Resignation as L/C Issuer or Swingline Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time any Lender assigns all of its Revolving Commitment and Revolving Loans pursuant to Section 11.06(b), such Lender may, (i) upon thirty (30) days' notice to the Administrative Agent, the Borrower and the Lenders, resign as an L/C Issuer, and/or (ii) upon thirty (30) days' notice to the Borrower, resign as the Swingline Lender. In the event of any such resignation as an L/C Issuer or the Swingline Lender, the Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swingline Lender hereunder; provided, that, no failure by the Borrower to appoint any such successor shall affect the resignation of such Lender as an L/C Issuer or the Swingline Lender, as the case may be. If a Lender resigns as an L/C Issuer pursuant to this Section 11.06(f), it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit issued by it outstanding as of the effective date of its resignation as an L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Revolving Loans that are Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(f)). If Bank of America resigns as the Swingline Lender, it shall retain all the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Revolving Loans that are Base Rate Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.04(c). Upon the appointment of a successor L/C Issuer and/or Swingline Lender, (A) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swingline Lender, as the case may be, and (B) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of such retiring L/C Issuer with respect to such Letters of Credit.

11.07 Treatment of Certain Information; Confidentiality.

(a) Treatment of Certain Information. Each of the Administrative Agent, the Lenders and the L/C Issuers agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its Affiliates, its auditors and its Related

Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (ii) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (iii) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, in which case the Administrative Agent, such Lender, or such L/C Issuer, as applicable, shall notify the Borrower promptly prior to such disclosure to the extent practicable and not prohibited by Law, (iv) to any other party hereto, (v) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (vi) subject to an agreement containing provisions substantially the same as those of this Section 11.07, to (A) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or any Eligible Assignee invited to be a Lender pursuant to Section 2.02(g), or (B) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder, (vii) on a confidential basis to (A) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided hereunder, (B) the provider of any Platform or other electronic delivery service used by the Administrative Agent, any L/C Issuer and/or the Swingline Lender to deliver Borrower Materials or notices to the Lenders, or (C) the CUSIP Service Bureau or any similar agency in connection with the application, issuance, publishing and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (viii) with the consent of the Borrower, (ix) to the extent such Information (A) becomes publicly available other than as a result of a breach of this Section 11.07, or (B) becomes available to the Administrative Agent, any Lender, any L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower, or (x) to the extent such Information is independently discovered or developed by a party hereto without utilizing any Information received from the Borrower or violating the terms of this Section 11.07. For purposes of this Section 11.07, “Information” means all information received from the Borrower or any Subsidiary relating to the Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any L/C Issuer on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary; provided, that, in the case of information received from the Borrower or any Subsidiary after the Closing Date, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 11.07 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Administrative Agent and the Lenders in connection with the administration of this Agreement, the other Loan Documents and the Commitments.

(b) Non-Public Information. Each of the Administrative Agent, the Lenders and the L/C Issuers acknowledges that (i) the Information may include material non-public information concerning a Loan Party or a Subsidiary, as the case may be, (ii) it has developed compliance procedures regarding the use of material non-public information, and (iii) it will handle such material non-public information in accordance with applicable Law, including United States federal and state securities Laws.

(c) Press Releases. The Loan Parties and their Affiliates agree that they will not in the future issue any press releases or other public disclosure using the name of the Administrative Agent or any Lender or their respective Affiliates or referring to this Agreement or any of the Loan Documents without the prior written consent of the Administrative Agent, unless (and only to the extent that) the Loan Parties or such Affiliate is required to do so under law and then, in any event the Loan Parties or such Affiliate will consult with such Person before issuing such press release or other public disclosure.

(d) Customary Advertising Material. Without the prior written consent of the Borrower, neither the Administrative Agent nor any Lender shall publish any advertising material relating to the transactions contemplated hereby, including by using the name, product photographs, logo or trademark of the Loan Parties, to the extent such advertising material contains information that is not otherwise publicly available at the time such material is published (it being understood and agreed that neither the Administrative Agent nor any Lender shall be required to obtain the Borrower's prior written consent to publish customary advertising material relating to the transactions contemplated hereby if such material contains information which is otherwise publicly available at the time such material is published).

11.08 Right of Setoff.

If an Event of Default shall have occurred and be continuing, each Lender, each L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, such L/C Issuer or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or such L/C Issuer or their respective Affiliates, irrespective of whether or not such Lender, such L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured, secured or unsecured, or are owed to a branch, office or Affiliate of such Lender or such L/C Issuer different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided, that, in the event that any Defaulting Lender shall exercise any such right of setoff, (a) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15, and pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuers and the Lenders, and (b) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Secured Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each L/C Issuer and their respective Affiliates under this Section 11.08 are in addition to other rights and remedies (including other rights of setoff) that such Lender, such L/C Issuer or their respective Affiliates may have. Each Lender and each L/C Issuer agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided, that, the failure to give such notice shall not affect the validity of such setoff and application.

11.09 Interest Rate Limitation.

Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the

principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (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.

11.10 Integration; Effectiveness.

This Agreement, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent or any L/C Issuer, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section ~~4.01~~2 of the Third Amendment, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.11 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder (other than contingent indemnification obligations for which no claim has been asserted) shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

11.12 Severability.

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby, and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, the applicable L/C Issuer or the Swingline Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders.

If the Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then, in each case, the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights (other than its existing rights to payments

pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided, that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Each party hereto agrees that (a) an assignment required pursuant to this Section 11.13 may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent and the assignee, and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided, that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender; provided, further, that, any such documents shall be without recourse to or warranty by the parties thereto.

Notwithstanding anything in this Section 11.13 to the contrary, (a) no Lender that acts as an L/C Issuer may be replaced hereunder at any time it has any Letter of Credit outstanding unless arrangements satisfactory to such Lender (including the furnishing of a backstop letter of credit in form and substance, and issued by an issuer, reasonably satisfactory to such L/C Issuer or the depositing of Cash Collateral into a Cash Collateral account in amounts and pursuant to arrangements reasonably satisfactory to such L/C Issuer) have been made with respect to such outstanding Letter of Credit, and (b) the Lender that acts as the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 9.06.

11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON,

ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, ANY L/C ISSUER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR ANY L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN SECTION 11.14(b). THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Jury Trial.

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.15.

11.16 Subordination.

Each Loan Party (a "Subordinating Loan Party") hereby subordinates the payment of all obligations and indebtedness of any other Loan Party owing to it, whether now existing or hereafter arising, including but not limited to any obligation of any such other Loan Party to the Subordinating Loan Party as subrogee of the Secured Parties or resulting from such Subordinating Loan Party's performance under the Guaranty, to the indefeasible payment in full in cash of all Obligations. If the Secured Parties so request, any such obligation or indebtedness of any such other Loan Party to the Subordinating Loan Party shall be enforced and performance received by the Subordinating Loan Party as trustee for the Secured Parties and the proceeds thereof shall be paid over to the Secured Parties on account of the Secured Obligations, but without reducing or affecting in any manner the liability of the Subordinating Loan Party under this Agreement. Without limitation of the foregoing, so long as no Default has occurred and is continuing, the Loan Parties may make and receive payments with respect to Intercompany Debt; provided, that, in the event that any Loan Party receives any payment of any Intercompany Debt at a time when such payment is prohibited by this Section 11.16, such payment shall be held by such Loan Party, in trust for the benefit of, and shall be paid forthwith over and delivered, upon written request, to the Administrative Agent.

11.17 No Advisory or Fiduciary Responsibility.

In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower and each other Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a)(i) the arranging and other services regarding this Agreement provided by the Administrative Agent, each Arranger, each Lender, and their respective Affiliates are arm's-length commercial transactions between the Borrower, each other Loan Party and their respective Affiliates, on the one hand, and the Administrative Agent, each Arranger, each Lender, and their respective Affiliates, on the other hand, (ii) each of the Borrower and the other Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower and each other Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (b)(i) the Administrative Agent, each Arranger, each Lender, and each of their respective Affiliates is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for Borrower, any other Loan Party or any of their respective Affiliates, or any other Person, and (ii) none of the Administrative Agent, any Arranger, any Lender, or any of their respective Affiliates has any obligation to the Borrower, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Administrative Agent, each Arranger, and each

Lender may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, the other Loan Parties and their respective Affiliates, and none of the Administrative Agent, any Arranger, any Lender, or any of their respective Affiliates has any obligation to disclose any of such interests to the Borrower, any other Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, each of the Borrower and each other Loan Party hereby waives and releases any claims that it may have against the Administrative Agent, any Arranger, any Lender, or any of their respective Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

11.18 Electronic Execution.

This Agreement, any other Loan Document, and any other document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement or any other Loan Document (each, a “Communication”), including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. Each Loan Party, the Administrative Agent, and each Lender Party agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on such Person to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature, will constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this Section 11.18 may include use or acceptance of a manually signed paper Communication which has been converted into electronic form (such as scanned into .pdf), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Lender Parties may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record (each, an “Electronic Copy”), which shall be deemed created in the ordinary course of such Person’s business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity and enforceability as a paper record. Notwithstanding anything contained herein to the contrary, none of the Administrative Agent, the Swingline Lender or any L/C Issuer is under any obligation to accept an Electronic Signature in any form or in any format unless expressly agreed to by such Person pursuant to procedures approved by it; provided, that, without limiting the foregoing, (a) to the extent the Administrative Agent, the Swingline Lender or such L/C Issuer has agreed to accept such Electronic Signature, the Administrative Agent and each of the Lender Parties shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Loan Party and/or any Lender Party without further verification and regardless of the appearance or form of such Electronic Signature, and (b) upon the request of the Administrative Agent or any Lender Party, any Communication executed using an Electronic Signature shall be promptly followed by a manually executed counterpart.

None of the Administrative Agent, the Swingline Lender or any L/C Issuer shall be responsible for or have any duty to ascertain or inquire into the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document (including, for the avoidance of doubt, in connection with the Administrative Agent’s, the Swingline Lender’s or such L/C Issuer’s reliance on any Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means). The Administrative Agent, the Swingline Lender and each L/C Issuer shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any Communication or any statement made to it orally or by telephone and believed by it to be

genuine and signed or sent or otherwise authenticated (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

Each Loan Party and each Lender Party hereby waives (a) any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement or any other Loan Document based solely on the lack of paper original copies of this Agreement or such other Loan Document, and (b) any claim against the Administrative Agent and each Lender Party for any liabilities arising solely from the Administrative Agent's and/or such Lender Party's reliance on or use of Electronic Signatures, including any liabilities arising as a result of the failure of the Loan Parties to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

11.19 USA PATRIOT Act Notice.

Each Lender that is subject to the PATRIOT Act, each L/C Issuer and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower and the other Loan Parties that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "PATRIOT Act"), it is required to obtain, verify and record information that identifies the Borrower and each other Loan Party, which information includes the name and address of each such Person and other information that will allow such Lender, such L/C Issuer or the Administrative Agent, as applicable, to identify each such Person in accordance with the PATRIOT Act. The Loan Parties agree to, promptly following a request by the Administrative Agent, any L/C Issuer or any Lender, provide all such other documentation and information that the Administrative Agent, such L/C Issuer or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act and the Beneficial Ownership Regulation.

11.20 Acknowledgement and Consent to Bail-In of Affected Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by: (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and (b) the effects of any Bail-In Action on any such liability, including, if applicable, (i) a reduction in full or in part or cancellation of any such liability, (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document, or (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

11.21 Acknowledgement Regarding Any Supported QFCs.

To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, "QFC Credit Support", and each such QFC, a "Supported QFC"), the parties acknowledge and agree that, with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the

regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States), in the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

11.22 ENTIRE AGREEMENT.

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

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Summary report:	
Litera Compare for Word 11.9.1.1 Document comparison done on 10/9/2024 7:56:51 PM	
Style name: MVASet	
Intelligent Table Comparison: Active	
Original DMS: iw://mva.cloudimanager.com/MVALIB/13743030/1	
Modified DMS: iw://mva.cloudimanager.com/MVALIB/13743030/2	
Changes:	
<u>Add</u>	488
Delete	472
Move From	30
<u>Move To</u>	30
<u>Table Insert</u>	0
Table Delete	1
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	1021

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Schedule 1.01(a)

Administrative Agent's Office; Certain Addresses for Notice

If to the Borrower or another Loan Party:

AeroVironment, Inc.
900 Innovators Way
Simi Valley, CA 93065

Attention: Melissa Brown, VP, General Counsel & Corporate Secretary
Phone: +1 (805) 520-8350 ext. 1369
Email: corporatesecretary@avinc.com

Attention: Kevin McDonnell, Senior VP, Chief Financial Officer
Phone: + (805) 520-8350 ext. 1932
Email: mcdonellk@avinc.com

If to the Administrative Agent:

Administrative Agent's Office (for payments, advances, rates, lender requests):

Bank of America, N.A.
900 W. Trade Street
Mail Code: NC1-026-06-04
Charlotte, North Carolina 28255-0001
Attention: Patricia Santos
Telephone: 980.387.3794
Email: patricia.santos@bofa.com and ecredit_dedicated@bofa.com

Wire Instructions:

Bank of America, N.A., NY
ABA#: 026009593
Account Name: SLC Operations
Account No.: 1366072250600
Ref: AeroVironment Inc.

Other Notices and Financial Reporting as Administrative Agent (for financials, communications):

Bank of America, N.A.
Agency Management
540 W. Madison Street
Mail Code: IL4-540-22-29
Chicago, Illinois 60601
Attention: Rose Thomas
Telephone: 312.828.3417
Telecopier: 877.206.8413
Email: rose.thomas2@bofa.com

With a copy to:

Bank of America, N.A.
Agency Management
540 W. Madison Street
Mail Code: IL4-540-22-29
Chicago, Illinois 60601
Attention: Gerund N. Diamond
Telephone: 312.992.8588
Telecopier: 312.453.3635
Email: gerund.diamond@bofa.com

If to Bank of America in its capacity as an L/C Issuer:

Bank of America Trade Operations
Mail Code: PA6-580-02-30
1 Fleet Way
Scranton, Pennsylvania 18507
Telephone: 570.496.9619
Telecopier: 800.755.8740
Email: tradeclientserviceteam@bofa.com

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Schedule 1.01(b)

Commitments and Applicable Percentages; L/C Commitments; Swingline Commitment

Lender	Revolving Commitment	Applicable Percentage of Revolving Facility
Bank of America, N.A.	\$56,666,666.67	28.333333334%
JPMorgan Chase Bank, N.A.	\$56,666,666.67	28.333333334%
U.S. Bank National Association	\$56,666,666.66	28.333333334%
Citibank, N.A.	\$30,000,000.00	15.000000000%
Total	\$200,000,000.00	100.000000000%

Note: Applicable Percentage amounts in the table above are subject to rounding to nine (9) decimal places.

L/C Issuer	L/C Commitment
Bank of America, N.A.	\$25,000,000.00

Swingline Lender	Swingline Commitment
Bank of America, N.A.	\$10,000,000.00

Schedule 1.01(c)

Existing Letters of Credit

<u>L/C Number</u>	<u>L/C Issuer</u>	<u>Expiry Date</u>	<u>Beneficiary</u>	<u>Letter of Credit Amount</u>
68177877	Bank of America, N.A.	04/30/2025	Banque Internationale Arabe de Tunisie	\$75,898.00
68184891	Bank of America, N.A.	12/31/2024	Banco Nacional del Ejército, Fuerza Aérea y Armada, S.N.C	\$567,900.00
68198985	Bank of America, N.A.	09/15/2027	Riyad Bank	\$2,133,334.00
68181376	Bank of America, N.A.	07/31/2025	Intesa SanPaolo	\$742,950.00
68183689	Bank of America, N.A.	12/31/2024	Riyad Bank	\$394,221.00
68197239	Bank of America, N.A.	11/30/2024	Intesa SanPaolo	\$750,000.00
68183405	Bank of America, N.A.	02/14/2025	Albaraka Türk Participation Bank	\$39,410.00
68145318	Bank of America, N.A.	02/28/2025	Intesa SanPaolo	\$716,625.00
68173818	Bank of America, N.A.	11/30/2024	Intesa SanPaolo	\$159,225.00
68144383	Bank of America, N.A.	12/31/2024	Intesa SanPaolo	\$63,000.00
68175186	Bank of America, N.A.	02/28/2025	Saudi Awwal Bank	\$1,517,689.00
68170562	Bank of America, N.A.	03/31/2025	Albaraka Türk Participation Bank	\$45,000.00
68197537	Bank of America, N.A.	08/02/2025	National Bank of Kuwait	\$130,000.00
NUSCGS019332	JPMorgan Chase Bank, N.A.	09/30/2025	National Bank of Egypt	\$460,000.00
68172290	Bank of America, N.A.	06/21/2025	Albaraka Türk Participation	\$525,000.00

			Bank	
68181553	Bank of America, N.A.	09/02/2025	Intesa SanPaolo	\$74,295.00
68198074	Bank of America, N.A.	01/31/2025	National Bank of Oman	\$80,000.00
68197240	Bank of America, N.A.	11/30/2024	Intesa SanPaolo	\$1,050,000.00
68184890	Bank of America, N.A.			\$0.00
68185877	Bank of America, N.A.	02/14/2025	Albaraka Türk Participation Bank	\$92,080.00
68199229	Bank of America, N.A.	03/30/2025	Askari Bank Limited	\$25,000.00
68199710	Bank of America, N.A.			\$0.00
68200918	Bank of America, N.A.	08/28/2025	National Bank of Oman	\$150,000

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Schedule 5.18(a)

Subsidiaries, Joint Ventures, Partnerships and Other Equity Investments

Name of Loan Party	Name of Person	Jurisdiction of Organization	Number of shares of each class of Equity Interests outstanding	Percentage of Equity Interests Owned	Class or nature of such Equity Interests
AeroVironment, Inc.	Altoy Savunma Sanayi ve Havacilik Anonim Sirketi	Turkey	450 Class B shares	15%	Voting
AeroVironment, Inc.	Arcturus UAV, Inc.	California	110,000 shares of Common Stock	100%	Voting
AeroVironment, Inc.	Tomahawk Robotics, Inc.	Delaware	100 shares of Common Stock	100%	Voting
AeroVironment, Inc.	AeroVironment, Inc. ¹	Afghanistan	N/A	100%	Voting
AeroVironment, Inc.	Franklin Blackhorse, L.P. ²	Delaware	Indefinite	+/- 11.0%	Limited Partnership Interest
AeroVironment, Inc.	Franklin Blackhorse II, L.P. ³	Delaware	Indefinite	+/- 20.0%	Limited Partnership Interest
AeroVironment, Inc.	Telerob Gesellschaft für Fernhantierungstechnik mbH	Germany	1 share	100%	Voting
AeroVironment, Inc.	Amprius Technologies, Inc.	Delaware	500,000 shares (and warrant for 500,000 shares at \$12.50 exercise price)	0.6%	Voting
AeroVironment, Inc.	Nauticus Robotics, Inc.	Delaware	278 shares	0.006%	Voting

¹ This subsidiary is no longer operating.

² See detail on Schedule 7.3.

³ See detail on Schedule 7.3.

Schedule 5.18(b)

Loan Parties

Loan Party	Chief Executive Office	Jurisdiction of Organization	US Taxpayer Identification Number	Organizational Identification Number
AeroVironment, Inc.	900 Innovators Way, Simi Valley CA 93065	Delaware	95-2705790	4175915
Arcturus UAV, Inc	1035 N McDowell Boulevard, Petaluma CA 94954	California	83-2175946	4200276
Tomahawk Robotics, Inc.	2326 Irwin Street, Melbourne, FL, 32901	Delaware	82-3905852	7066184

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Intellectual Property**(a) AeroVironment, Inc.****U.S. Issued Patents**

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
Methods and systems for utilizing dual global positioning system (GPS) antennas in vertical take-off and landing (VTOL) aerial vehicles	12,099,128	9/24/2024
System and method for drone tethering	12,084,179	9/10/2024
System for detachably coupling an unmanned aerial vehicle within a launch tube	12,060,167	8/13/2024
Ganged servo flight control system for an unmanned aerial vehicle	12,054,249	8/6/2024
Elevon control system	12,043,382	7/23/2024
System and method of high-resolution digital data image transmission	12,047,628	7/23/2024
Aircraft system for reduced observer visibility	12,037,115	7/16/2024
Pod launch and landing system for vertical take-off and landing (VTOL) unmanned aerial vehicles (UAVs)	12,037,135	7/16/2024

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
Multimode unmanned aerial vehicle	12,013,212	6/18/2024
Off-center parachute flight termination system including latch mechanism disconnectable by burn wire	11,981,429	5/14/2024
UAV payload module camera assembly and retraction mechanism	11,975,867	5/7/2024
Safety system for operation of an unmanned aerial vehicle	11,977,380	5/7/2024
Bi-stable, sub-commutated, direct-drive, sinusoidal motor controller for precision position control	11,973,455	4/30/2024
Unmanned aircraft turn and approach system	11,971,717	4/30/2024
Compressed motor winding	11,942,842	3/26/2024
Powerplant and related control system and method	11,920,512	3/5/2024
Methods and systems for cloud-based management of images captured by aerial vehicles	11,919,639	3/5/2024
Unmanned aerial vehicle and method of operation	11,919,628	3/5/2024
System For Protecting a Rotatable Shaft of a Motor from Excessive Bending	11,873,074	1/16/2024

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
Moments		
System and method for solar cell array communication	11,876,599	1/16/2024
Airframe-mounted package launching system, package launching device and method of operation thereof	11,873,114	1/16/2024
METHODS OF CLIMB AND GLIDE OPERATIONS OF A HIGH ALTITUDE LONG ENDURANCE AIRCRAFT	11,868,143	1/9/2024
INTERACTIVE WEAPON TARGETING SYSTEM DISPLAYING REMOTE SENSED IMAGE OF TARGET AREA	11,867,479	1/9/2024
Methods and Systems for Determining Flight Plans for Vertical Take-Off and Landing (VTOL) Aerial Vehicles	11,860,633	1/2/2024
POD COVER SYSTEM FOR A VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLE (UAV)	11,851,209	12/26/2023
Vertical Take-Off and Landing (VTOL) Winged Air Vehicle with Complementary Angled	11,851,173	12/26/2023

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
Rotors		
SURVEY MIGRATION SYSTEM FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	11,840,152	12/12/2023
MOTOR MOUNT AND DAMPER	11,843,306	12/12/2023
SUPERVISORY SAFETY SYSTEM FOR CONTROLLING AND LIMITING UNMANNED AERIAL SYSTEM (UAS) OPERATIONS	11,842,649	12/12/2023
Deep Stall Aircraft Landing	11,837,102	12/5/2023
SYSTEMS AND DEVICES FOR AN RF SIGNAL CARRYING CABLE OF A MULTI-PACK LAUNCHER SYSTEM	11,791,063	10/17/2023
System and method for performing precision guided air to ground package delivery	11,775,916	10/3/2023
RIB MOUNTING FLANGES FOR AN UNMANNED AERIAL VEHICLE	11,772,774	10/3/2023
Ground Support Equipment for a High Altitude Long Endurance Aircraft	11,772,817	10/3/2023

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
Voronoi Cropping of Images for Post Field Generation	11,741,571	8/29/2023
SYSTEMS AND DEVICES FOR REMOTELY OPERATED UNMANNED AERIAL VEHICLE REPORT SUPPRESSING LAUNCHER WITH PORTABLE RF TRANSPARENT LAUNCH TUBE	11,731,784	8/22/2023
METHODS AND SYSTEMS FOR RETAINING LATERAL CONTROL OF AN UNMANNED AERIAL VEHICLE DURING LANDING WITH LEVELED INBOARD PROPELLERS	11,724,793	8/15/2023
Multispectral Filters	11,721,008	8/8/2023
Machine to Machine Targeting Maintaining Positive Identification	11,714,407	8/1/2023
System and method of high-resolution digital data image transmission	11,700,408	7/11/2023
Aircraft system for reduced observer visibility	11,691,715	7/4/2023
Methods and systems for utilizing dual global positioning system (GPS) antennas in vertical take-off and landing (VTOL) aerial	11,686,859	6/27/2023

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
vehicle		
Dynamic transmission control for a wireless network	11,672,003	6/6/2023
Elevon control system	11,667,373	6/6/2023
System for detachably coupling an unmanned aerial vehicle within a launch tube	11,661,208	5/30/2023
Ganged servo flight control system for an unmanned aerial vehicle	11,649,046	5/16/2023
System for protecting a rotatable shaft of a motor from excessive bending moments	11,618,549	4/4/2023
Pod launch and landing system for vertical takeoff and landing (VTOL) unmanned aerial vehicles (UAVS)	11,603,218	3/14/2023
Methods and systems for energy-efficient take-offs and landings for vertical take-off and landing (VTOL) aerial vehicles	11,603,196	3/14/2023
Interactive weapon targeting system displaying remote sensed image of target area	11,592,267	2/28/2023
Stator winding heat sink configuration	11,581,769	2/14/2023
Elevon control system	11,577,818	2/14/2023

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
System and method for interception and countering unmanned aerial vehicles (UAVS)	11,579,610	2/14/2023
UAV PAYLOAD MODULE CAMERA ASSEMBLY AND RETRACTION MECHANISM	11,554,879	1/17/2023
MULTIMODE UNMANNED AERIAL VEHICLE	11,555,672	1/17/2023
EXTRUDED WING PROTECTION SYSTEM AND DEVICE	11,535,361	12/27/2022
OFF-CENTER PARACHUTE FLIGHT TERMINATION SYSTEM INCLUDING LATCH MECHANISM DISCONNECTABLE BY BURN WIRE	11,518,514	12/6/2022
SUPERVISORY SAFETY SYSTEM FOR CONTROLLING AND LIMITING UNMANNED AERIAL SYSTEM (UAS) OPERATIONS	11,514,802	11/29/2022
SYSTEM AND METHOD FOR SOLAR CELL ARRAY COMMUNICATION	11,496,209	11/8/2022
SYSTEM AND METHOD OF HIGH-RESOLUTION DIGITAL DATA IMAGE TRANSMISSION	11,463,760	10/4/2022

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
GROUND SUPPORT EQUIPMENT FOR A HIGH ALTITUDE LONG ENDURANCE AIRCRAFT	11,414,210	8/16/2022
CAMERA BALL TURRET HAVING HIGH BANDWIDTH DATA TRANSMISSION TO EXTERNAL IMAGE PROCESSOR	11,401,045	8/2/2022
MOTOR MOUNT AND DAMPER	11,355,995	6/7/2022
CRYOGENIC LIQUID TANK	11,346,501	5/31/2022
DISBURSEMENT SYSTEM FOR AN UNMANNED AERIAL VEHICLE	11,338,921	5/24/2022
SYSTEMS AND DEVICES FOR REMOTELY OPERATED UNMANNED AERIAL VEHICLE REPORT-SUPPRESSING LAUNCHER WITH PORTABLE RF TRANSPARENT LAUNCH TUBE	11,319,087	5/3/2022
HIGH ALTITUDE, LONG ENDURANCE, UNMANNED AIRCRAFT AND METHODS OF OPERATION THEREOF	11,299,269	4/12/2022
UNMANNED AERIAL VEHICLE AND METHOD OF	11,292,591	4/5/2022

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
OPERATION		
METHODS AND SYSTEMS FOR RETAINING LATERAL CONTROL OF AN UNMANNED AERIAL VEHICLE DURING LANDING WITH LEVELED INBOARD PROPELLERS	11,292,583	4/5/2022
BI-STABLE, SUB-COMMUTATED, DIRECT-DRIVE, SINUSOIDAL MOTOR CONTROLLER FOR PRECISION POSITION CONTROL	11,264,925	3/1/2022
SURVEY MIGRATION SYSTEM FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	11,254,229	2/22/2022
VERTICAL TAKE-OFF AND LANDING (VTOL) WINGED AIR VEHICLE WITH COMPLEMENTARY ANGLED ROTORS	11,247,772	2/15/2022
UAV HAVING HERMETICALLY SEALED MODULARIZED COMPARTMENTS AND FLUID DRAIN PORTS	11,230,374	1/25/2022
RECONFIGURABLE BATTERY-OPERATED VEHICLE	11,220,170	1/11/2022

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
SYSTEM		
GEOGRAPHIC SURVEY SYSTEM FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	11,216,015	1/4/2022
COMPRESSED MOTOR WINDING	11,171,528	11/9/2021
MULTISPECTRAL FILTERS	11,157,736	10/26/2021
METHODS AND SYSTEMS FOR CLOUD-BASED MANAGEMENT OF IMAGES CAPTURED BY AERIAL VEHICLES	11,155,348	10/26/2021
PRIVACY SHIELD FOR UNMANNED AERIAL SYSTEMS	11,153,537	10/19/2021
MOUNTING SYSTEM FOR MECHANICAL-SHOCK RESISTANT PRINTED CIRCUIT BOARD (PCB)	11,147,179	10/12/2021
SYSTEMS AND DEVICES FOR AN RF SIGNAL CARRYING CABLE OF A MULTI-PACK LAUNCHER SYSTEM	11,145,435	10/12/2021
VORONOI CROPPING OF IMAGES FOR POST FIELD GENERATION	11,138,706	10/5/2021
DISBURSEMENT SYSTEM FOR AN	11,130,573	9/28/2021

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
UNMANNED AERIAL VEHICLE		
INTERACTIVE WEAPON TARGETING SYSTEM DISPLAYING REMOTE SENSED IMAGE OF TARGET AREA	11,118,867	9/14/2021
MACHINE TO MACHINE TARGETING MAINTAINING POSITIVE	11,112,787	9/7/2021
ROTATING LIDAR	11,092,673	8/17/2021
SYSTEMS AND METHODS FOR CHARGING UNMANNED AERIAL VEHICLES ON A MOVING PLATFORM	11,086,337	8/10/2021
METHODS AND SYSTEMS FOR DETERMINING FLIGHT PLANS FOR VERTICAL TAKE-OFF AND LANDING (VTOL) AERIAL VEHICLES	11,086,325	8/10/2021
ELEVON CONTROL SYSTEM	11,040,766	6/22/2021
SAFETY SYSTEM FOR OPERATION OF AN UNMANNED AERIAL VEHICLE	11,029,684	6/8/2021
POWERPLANT AND RELATED CONTROL SYSTEM AND METHOD	11,022,030	6/1/2021
POD OPERATING SYSTEM FOR A	11,021,266	6/1/2021

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
VERTICAL TAKE- OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLE (UAV)		
System and method for performing precision guided air to ground package delivery	11004027	5/11/2021
METHODS AND SYSTEMS FOR UTILIZING DUAL GLOBAL POSITIONING SYSTEM (GPS) ANTENNAS IN VERTICAL TAKE-OFF AND LANDING (VTOL) AERIAL VEHICLES	10,996,343	5/4/2021
ELEVON CONTROL SYSTEM	10,960,968	3/30/2021
UNMANNED AERIAL VEHICLE DRAG AUGMENTATION BY REVERSE PROPELLER ROTATION	10,955,859	3/23/2021
AIR VEHICLE SYSTEM HAVING DEPLOYABLE AIRFOILS AND RUDDER	10,953,976	3/23/2021
SYSTEM AND METHOD OF HIGH-RESOLUTION DIGITAL DATA IMAGE TRANSMISSION	10,945,017	3/9/2021
WATER-TIGHT COMPARTMENT WITH REMOVABLE HATCH AND TWO-SIDED GEL SEAL FOR MULTIPLE CONDUIT	10,941,610	3/9/2021

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
ACCESS		
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD	10919623	2/16/2021
UNMANNED AERIAL VEHICLE ANGULAR REORIENTATION	10875631	12/29/2020
MOTOR AIR FLOW COOLING	10873229	12/22/2020
INVERTIBLE AIRCRAFT	10870495	12/22/2020
POD COVER SYSTEM FOR A VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLE (UAV)	10850866	12/22/2020
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD FOR NON-SINUSOIDAL WING FLAPPING	10850837	12/1/2020
AD HOC DYNAMIC DATA LINK REPEATER	10836483	11/17/2020
DEEP STALL AIRCRAFT LANDING	10810894	10/20/2020
UAV PAYLOAD MODULE CAMERA ASSEMBLY AND RETRACTION MECHANISM	10800544	10/13/2020
UNMANNED AIRCRAFT TURN AND APPROACH SYSTEM	10768624	9/8/2020

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
DYNAMIC TRANSMISSION CONTROL FOR A WIRELESS NETWORK	10736121	8/4/2020
VERTICAL TAKEOFF AND LANDING (VTOL) AIR VEHICLE	10717522	7/21/2020
EXTRUDED CONTROL SURFACE HAVING A KNUCKLE AND NOTCHES	10710703	7/14/2020
METHODS AND APPARATUS FOR UNMANNED AIRCRAFT-BASED OBJECT DETECTION	10701913	7/7/2020
UNMANNED AIRCRAFT NAVIGATION SYSTEM AND METHOD	10705541	7/7/2020
METHODS AND SYSTEMS FOR UTILIZING DUAL GLOBAL POSITIONING SYSTEM (GPS) ANTENNAS INVERTICAL TAKE-OFF AND LANDING (VTOL) AERIAL VEHICLES	10705224	7/7/2020
SYSTEMS AND DEVICES FOR REMOTELY OPERATED UNMANNED AERIAL VEHICLE REPORT-SUPPRESSING LAUNCHER WITH	10703506	7/7/2020

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
PORTABLE RF TRANSPARENT LAUNCH TUBE		
ELEVON CONTROL SYSTEM	10696375	6/30/2020
System and method for performing precision guided air to ground package delivery	10,671,960	6/2/2020
SURVEY MIGRATION SYSTEM FOR VERTICAL TAKE- OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	10671095	6/2/2020
MOTOR MOUNT AND DAMPER	10666112	5/26/2020
FLUX CONCENTRATOR FOR IRONLESS MOTOR	10666098	5/26/2020
UAV HAVING HERMETICALLY SEALED MODULARIZED COMPARTMENTS AND FLUID DRAIN PORTS	10647423	5/12/2020
THERMAL MANAGEMENT SYSTEM FOR AN AIRCRAFT AVIONICS BAY	10638644	4/28/2020
AIRCRAFT GROUNDING SYSTEM	10633113	4/28/2020
SUPERVISORY SAFETY SYSTEM FOR CONTROLLING	10621876	4/14/2020

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
AND LIMITING UNMANNED AERIAL SYSTEM (UAS) OPERATIONS		
GANGED SERVO FLIGHT CONTROL SYSTEM FOR AN UNMANNED AERIAL VEHICLE	10618645	4/14/2020
MOUNTING SYSTEM FOR MECHANICAL-SHOCK RESISTANT PRINTED CIRCUIT BOARD (PCB)	10617028	4/7/2020
COMPRESSED MOTOR WINDING	10601273	3/24/2020
CRYOGENIC LIQUID TANK	10584828	3/10/2020
ELEVON CONTROL SYSTEM	10583910	3/10/2020
UNMANNED AERIAL VEHICLE DRAG AUGMENTATION BY REVERSE PROPELLER ROTATION	10558225	2/11/2020
INTERACTIVE WEAPON TARGETING SYSTEM DISPLAYING REMOTE SENSED IMAGE OF TARGET AREA	10539394	1/21/2020
GEOGRAPHIC SURVEY SYSTEM FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES	10534372	1/14/2020

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
(UAVS)		
INVERTED-LANDING AIRCRAFT	10533851	1/14/2020
POWER AND COMMUNICATION INTERFACE FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	10518901	12/31/2019
SYSTEM FOR PROTECTING A ROTATABLE SHAFT OF A MOTOR FROM EXCESSIVE BENDING MOMENTS	10507903	12/17/2019
MULTIMODE UNMANNED AERIAL VEHICLE	10494093	12/3/2019
SMALL UNMANNED AERIAL VEHICLE (SUAV) SHIPBOARD RECOVERY SYSTEM	10479526	11/19/2019
UAV PAYLOAD MODULE CAMERA ASSEMBLY AND RETRACTION MECHANISM	10457418	10/29/2019
SYSTEMS AND DEVICES FOR REMOTELY OPERATED UNMANNED AERIAL VEHICLE REPORT-SUPPRESSING LAUNCHER WITH PORTABLE RF TRANSPARENT	10450089	10/22/2019

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
LAUNCH TUBE		
SYSTEM FOR DETACHABLY COUPLING AN UNMANNED AERIAL VEHICLE WITHIN A LAUNCH TUBE	10442554	10/15/2019
VERTICAL TAKE-OFF AND LANDING (VTOL) WINGED AIR VEHICLE WITH COMPLEMENTARY ANGLED ROTORS	10370095	8/6/2019
UNMANNED AERIAL VEHICLE ANGULAR REORIENTATION	10343766	7/9/2019
POD LAUNCH AND LANDING SYSTEM FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	10336470	7/2/2019
INVERTIBLE AIRCRAFT	10329025	6/25/2019
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD	10266258	4/23/2019
VERTICAL TAKEOFF AND LANDING (VTOL) AIR VEHICLE	10259577	4/16/2019
INTERACTIVE WEAPON TARGETING SYSTEM DISPLAYING REMOTE SENSED IMAGE OF TARGET AREA	10247518	4/2/2019

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
LAUNCH TUBE RESTRAINT SYSTEM FOR UNMANNED AERIAL VEHICLE (UAV)	10239639	3/26/2019
AIRCRAFT SYSTEM FOR REDUCED OBSERVER VISIBILITY	10227129	3/12/2019
MULTIMODE UNMANNED AERIAL VEHICLE	10222177	3/5/2019
SAFETY SYSTEM FOR OPERATION OF AN UNMANNED AERIAL VEHICLE	10209707	2/19/2019
DEEP STALL AIRCRAFT LANDING	10204522	2/12/2019
SYSTEM FOR ALIGNING A PROPELLER	10196150	2/5/2019
MOUNTING SYSTEM FOR MECHANICAL-SHOCK RESISTANT PRINTED CIRCUIT BOARD (PCB)	10194551	1/29/2019
UAV PAYLOAD MODULE CAMERA ASSEMBLY AND RETRACTION MECHANISM	10189581	1/29/2019
OPERATING CONTROL DEVICE FOR AN UNMANNED AERIAL VEHICLE	D837166	1/1/2019
RECONFIGURABLE BATTERY-OPERATED	10155588	12/18/2018

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
VEHICLE SYSTEM		
POWERPLANT AND RELATED CONTROL SYSTEM AND METHOD	10138801	11/27/2018
SYSTEMS AND DEVICES FOR REMOTELY OPERATED UNMANNED AERIAL VEHICLE REPORT-SUPPRESSING LAUNCHER WITH PORTABLE RF TRANSPARENT LAUNCH TUBE	10124909	11/13/2018
THERMAL MANAGEMENT SYSTEM FOR AN AIRCRAFT AVIONICS BAY	10104809	10/16/2018
STATOR WINDING HEAT SINK CONFIGURATION	10103592	10/16/2018
WATER-TIGHT COMPARTMENT WITH REMOVABLE HATCH AND TWO-SIDED GEL SEAL FOR MULTIPLE CONDUIT ACCESS	10094165	10/9/2018
TILT-BALL TURRET WITH GIMBAL LOCK AVOIDANCE	10081441	9/25/2018
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD FOR NON-SINUSOIDAL WING FLAPPING	10065737	9/4/2018
SMALL UNMANNED AERIAL VEHICLE	10046864	8/14/2018

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
(SUAV) SHIPBOARD RECOVERY SYSTEM		
UNMANNED AIRCRAFT TURN AND APPROACH SYSTEM	10042360	8/7/2018
ROTATING LIDAR	10042042	8/7/2018
VERTICAL TAKEOFF AND LANDING (VTOL) AIR VEHICLE	9988147	6/5/2018
SURVEY MIGRATION SYSTEM FOR VERTICAL TAKE- OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	9977435	5/22/2018
AIRCRAFT GROUNDING SYSTEM	9957065	5/1/2018
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD	9957044	5/1/2018
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD	9950790	4/24/2018
FLUX CONCENTRATOR FOR IRONLESS MOTOR	9941757	4/10/2018
VERTICAL TAKE-OFF AND LANDING (VTOL) WINGED AIR VEHICLE WITH COMPLEMENTARY ANGLED ROTORS	D813143	3/20/2018

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
AIRCRAFT SYSTEM FOR REDUCED OBSERVER VISIBILITY	9902489	2/27/2018
GEOGRAPHIC SURVEY SYSTEM FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	9880563	1/30/2018
LAUNCH TUBE RESTRAINT SYSTEM FOR UNMANNED AERIAL VEHICLE (UAV)	9873526	1/23/2018
POWER AND COMMUNICATION INTERFACE FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	9873524	1/23/2018
UAV PAYLOAD MODULE CAMERA ASSEMBLY AND RETRACTION MECHANISM	9850004	12/26/2017
HIGH ALTITUDE, LONG ENDURANCE, UNMANNED AIRCRAFT AND METHODS OF OPERATION THEREOF	9834307	12/5/2017
VERTICAL TAKEOFF AND LANDING (VTOL) AIR VEHICLE	9834305	12/5/2017
CRYOGENIC LIQUID	9829155	11/28/2017

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
TANK		
COMPRESSED MOTOR WINDING	9825497	11/21/2017
INTERACTIVE WEAPON TARGETING SYSTEM DISPLAYING REMOTE SENSED IMAGE OF TARGET AREA	9816785	11/14/2017
ACTIVE MULTI-PATH NETWORK REDUNDANCY WITH PERFORMANCE MONITORING	9787610	10/10/2017
UNMANNED AERIAL VEHICLE ANGULAR REORIENTATION	9776709	10/3/2017
SYSTEM FOR PROTECTING A ROTATABLE SHAFT OF A MOTOR FROM EXCESSIVE BENDING MOMENTS	9776706	10/3/2017
ACTIVE DIHEDRAL CONTROL SYSTEM FOR A TORSIONALLY FLEXIBLE WING	9764819	9/19/2017
THERMAL MANAGEMENT SYSTEM FOR AN AIRCRAFT AVIONICS BAY	9756764	9/5/2017
HEAT TRANSFER SYSTEM FOR AIRCRAFT STRUCTURES	9750161	8/29/2017

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
STATOR WINDING HEAT SINK CONFIGURATION	9748809	8/29/2017
FAULT-TOLERANT, FRAME-BASED COMMUNICATION SYSTEM	9735980	8/15/2017
POWERPLANT AND RELATED CONTROL SYSTEM AND METHOD	9719411	8/1/2017
MOTOR MOUNT AND DAMPER	9705377	7/11/2017
MOTOR AIR FLOW COOLING	9673673	6/6/2017
DEEP STALL AIRCRAFT LANDING	9672748	6/6/2017
SMALL UNMANNED AERIAL VEHICLE (SUAV) SHIPBOARD RECOVERY SYSTEM	9669947	6/6/2017
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD FOR NON-SINUSOIDAL WING FLAPPING	9669925	6/6/2017
INVERTIBLE AIRCRAFT	9650135	5/16/2017
POWER AND COMMUNICATION INTERFACE FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	9650133	5/16/2017
SYSTEM FOR ALIGNING A	9586673	3/7/2017

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
PROPELLER		
REMOTE DEVICE CONTROL AND POWER SUPPLY	9561764	2/7/2017
INVERTIBLE AIRCRAFT	9511859	12/6/2016
INVERTED-LANDING AIRCRAFT	9511858	12/6/2016
WATER-TIGHT COMPARTMENT WITH REMOVABLE HATCH AND TWO-SIDED GEL SEAL FOR MULTIPLE CONDUIT ACCESS	9476251	10/25/2016
LAUNCH TUBE RESTRAINT SYSTEM FOR UNMANNED AERIAL VEHICLE (UAV)	9470477	10/18/2016
WATER RESISTANT AIRCRAFT PITOT DEVICE	9404936	8/2/2016
HIGH ALTITUDE, LONG ENDURANCE, UNMANNED AIRCRAFT AND METHODS OF OPERATION THEREOF	9404750	8/2/2016
UAV HAVING HERMETICALLY SEALED MODULARIZED COMPARTMENTS AND FLUID DRAIN PORTS	9365088	6/14/2016
AIRCRAFT GROUNDING SYSTEM	9340302	5/17/2016

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
UAV PAYLOAD MODULE CAMERA ASSEMBLY AND RETRACTION MECHANISM	9309006	4/12/2016
SYSTEM AND METHOD OF HIGH-RESOLUTION DIGITAL DATA IMAGE TRANSMISSION	9288513	3/15/2016
FLUX CONCENTRATOR FOR IRONLESS MOTORS	9270154	2/23/2016
POWERPLANT AND RELATED CONTROL SYSTEM AND METHOD	9267440	2/23/2016
UNMANNED AERIAL VEHICLE ANGULAR REORIENTATION	9211947	12/15/2015
DEEP STALL AIRCRAFT LANDING	9208689	12/8/2015
ACTIVE MULTI-PATH NETWORK REDUNDANCY WITH PERFORMANCE MONITORING	9203783	12/1/2015
INVERTIBLE AIRCRAFT	9199733	12/1/2015
SYSTEMS AND DEVICES FOR REMOTELY OPERATED UNMANNED AERIAL VEHICLE REPORT- SUPPRESSING LAUNCHER WITH PORTABLE RF TRANSPARENT LAUNCH TUBE	9187184	11/17/2015

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
TILT-BALL TURRET WITH GIMBAL LOCK AVOIDANCE	9156551	10/13/2015
MULTIMODE UNMANNED AERIAL VEHICLE	9127908	9/8/2015
ACTIVE DIHEDRAL CONTROL SYSTEM FOR A TORISIONALLY FLEXIBLE WING	9120555	9/1/2015
FAULT-TOLERANT, FRAME-BASED COMMUNICATION SYSTEM	9112785	8/18/2015
REMOTE DEVICE CONTROL AND POWER SUPPLY	9112377	8/18/2015
ELEVON CONTROL SYSTEM	9108713	8/18/2015
UNMANNED AERIAL VEHICLE DRAG AUGMENTATION BY REVERSE PROPELLER ROTATION	9090335	7/28/2015
DYNAMIC TRANSMISSION CONTROL FOR A WIRELESS NETWORK	9084276	7/14/2015
WATER RESISTANT AIRCRAFT PITOT DEVICE	9080903	7/14/2015
ROLL-TILT BALL TURRET CAMERA HAVING COILED DATA TRANSMISSION CABLE	9075289	7/7/2015

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
METHOD OF MANUFACTURING A HEAT TRANSFER SYSTEM FOR AIRCRAFT STRUCTURES	9067287	6/30/2015
COMPRESSED MOTOR WINDING	9035526	5/19/2015
HEAT TRANSFER SYSTEM FOR AIRCRAFT STRUCTURES	8995131	3/31/2015
ELEVON CONTROL SYSTEM	8985504	3/24/2015
CRYOGENIC LIQUID TANK	8960482	2/24/2015
ACTIVE MULTI-PATH NETWORK REDUNDANCY WITH PERFORMANCE MONITORING	8867381	10/21/2014
SENSORLESS OPTIMUM TORQUE CONTROL FOR HIGH EFFICIENCY IRONLESS PERMANENT MAGNET MACHINE	8803454	8/12/2014
UNMANNED AERIAL VEHICLE DRAG AUGMENTATION BY REVERSE PROPELLER ROTATION	8800936	8/12/2014
PREDICTIVE PULSE WIDTH MODULATION FOR AN OPEN DELTA H-BRIDGE DRIVEN HIGH EFFICIENCY	8796978	8/5/2014

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
IRONLESS PERMANENT MAGNET MACHINE		
AUTOMATIC CONFIGURATION CONTROL OF A DEVICE	8761967	6/24/2014
STATOR WINDING HEAT SINK CONFIGURATION	8723378	5/13/2014
RECONFIGURABLE AIRCRAFT	8660712	2/25/2014
AIRCRAFT GROUNDING SYSTEM	8622343	1/7/2014
MOTOR AIR FLOW COOLING	8604652	12/10/2013
ENERGY STORAGE SYSTEM	8586253	11/19/2013
BALL TURRET HEAT SINK AND EMI SHIELDING	8559801	10/15/2013
ARTICULATED SENSOR SUPPORT STRUCTURE	8548314	10/1/2013
ROLL-TILT BALL TURRET CAMERA HAVING COILED DATA TRANSMISSION CABLE	8523462	9/3/2013
SYSTEMS AND DEVICES FOR REMOTELY OPERATED UNMANNED AERIAL VEHICLE REPORT- SUPPRESSING LAUNCHER WITH PORTABLE RF	8505430	8/13/2013

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
TRANSPARENT LAUNCH TUBE		
WATERPROOF ELECTRICAL CONNECTOR AND SYSTEM	8491336	7/23/2013
COLD FUEL COOLING OF INTERCOOLER AND AFTERCOOLER	8490917	7/23/2013
POWERPLANT AND RELATED CONTROL SYSTEM AND METHOD	8479718	7/9/2013
AIRCRAFT POWER MANAGEMENT	8457860	6/4/2013
INTEGRATED ANTENNA AND DISPLAY SHADE	8451180	5/28/2013
FAULT-TOLERANT, FRAME-BASED COMMUNICATION SYSTEM	8411689	4/2/2013
HYDROGEN POWERED AIRCRAFT	8308106	11/13/2012
AIRCRAFT POWER MANAGEMENT	8296036	10/23/2012
WATERPROOF ELECTRICAL CONNECTOR AND SYSTEM	8257113	9/4/2012
COLLABORATIVE ENGAGEMENT FOR TARGET IDENTIFICATION AND TRACKING	8244469	8/14/2012

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
PREDICTIVE PULSE WIDTH MODULATION FOR AN OPEN DELTA H-BRIDGE DRIVEN HIGH EFFICIENCY IRONLESS PERMANENT MAGNET MACHINE	8242731	8/14/2012
SENSORLESS OPTIMUM TORQUE CONTROL FOR HIGH EFFICIENCY IRONLESS PERMANENT MAGNET MACHINE	8242720	8/14/2012
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD	8210471	7/3/2012
AIR VEHICLE FLIGHT MECHANISM AND CONTROL METHOD	8205823	6/26/2012
POWERPLANT AND RELATED CONTROL SYSTEM AND METHOD	8200413	6/12/2012
ENERGY STORAGE SYSTEM	8197974	6/12/2012
COLD FUEL COOLING OF INTERCOOLER AND AFTERCOOLER	8196862	6/12/2012
HIGH ALTITUDE PLATFORM DEPLOYMENT SYSTEM	8180341	5/15/2012
REMOTE DEVICE CONTROL AND POWER	8148843	4/3/2012

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
SUPPLY		
HYDROGEN POWERED AIRCRAFT	8028951	10/4/2011
HYDROGEN POWERED AIRCRAFT	8011616	9/6/2011
WATERPROOF ELECTRICAL CONNECTOR AND SYSTEM	7997931	8/16/2011
AIRCRAFT CONTROL SYSTEM	7802756	9/28/2010
ENERGY STORAGE SYSTEM	7611789	11/3/2009
ENERGY STORAGE SYSTEM	7588846	9/15/2009
ENERGY STORAGE SYSTEM	7563529	7/21/2009
HIGH ALTITUDE PLATFORM DEPLOYMENT SYSTEM	7555297	6/30/2009
ENERGY STORAGE SYSTEM	7531256	5/12/2009
AIRCRAFT CONTROL SYSTEM	7198225	4/3/2007

U.S. Patent Applications

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
Roll-Biased Skid-To-Turn Terminal Guidance with Rudder Integrator Feedback	18/896,519	9/25/2024
Method Of Managing A Fleet Of High Altitude Long Endurance Aircraft	18/895,055	9/24/2024
Machine to Machine Targeting Maintaining Positive Identification	18/885,077	9/13/2024
Ground Support Equipment for a High Altitude Long Endurance Aircraft	18/822,368	9/2/2024
ELEVON CONTROL SYSTEM	18/819,264	8/29/2024
METHODS AND SYSTEMS FOR RETAINING LATERAL CONTROL OF AN UNMANNED AERIAL VEHICLE DURING LANDING WITH LEVELED INBOARD PROPELLERS	18/806,686	8/15/2024
SYSTEMS AND METHODS OF REMOTE TELEOPERATION OF ROBOTIC VEHICLES	18/806,664	8/15/2024
Methods and Systems for Utilizing Dual Global Positioning System (GPS) Antennas in Vertical Take-Off and Landing (VTOL) Aerial Vehicles	18/805,133	8/14/2024
SYSTEM AND METHOD FOR DRONE	18/797,853	8/8/2024

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
TETHERING		
GANGED SERVO FLIGHT CONTROL SYSTEM FOR AN UNMANNED AERIAL VEHICLE	18/778,531	7/19/2024
CLASSIFICATION PARALLELIZATION ARCHITECTURE	18/772,099	7/12/2024
SYSTEM FOR DETACHABLY COUPLING AN UNMANNED AERIAL VEHICLE WITHIN A LAUNCH TUBE	18/768,378	7/10/2024
COLLISION PREDICTION AND PREVENTION FOR UNCREWED VEHICLES	18/759,769	6/28/2024
FLEET CONTROLLER FOR MULTIPLE TYPES OF UNCREWED VEHICLES	18/759,784	6/28/2024
SYSTEMS, DEVICES, AND METHODS FOR DENIED/INTERMITTENT GPS NAVIGATION	63/663,040	6/21/2024
SYSTEMS, DEVICES, AND METHODS FOR TERMINAL TRACKING AND WAVE-OFF	63/663,036	6/21/2024
SLIDE ON WINGS AND SERVO CONTROL	63/663,019	6/21/2024
SPAR FUSELAGE WITH MODULAR SECTIONS AND ZIP-UP AERO	63/663,014	6/21/2024

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
SHELL		
System and method of high-resolution digital data image	18/749,050	6/20/2024
Elevon control system	18/746,357	6/18/2024
Aircraft system for reduced observer visibility	18/740,913	6/12/2024
Multimode unmanned aerial vehicle	18/659,381	5/9/2024
SYSTEMS, DEVICES, AND METHODS FOR DEPOT MANAGEMENT	63/640,670	4/30/2024
Unmanned aircraft turn and approach system	18/649,927	4/29/2024
Safety system for operation of an unmanned aerial vehicle	18/629,029	4/8/2024
Bi-stable, sub-commutated, direct-drive, sinusoidal motor controller for precision position control	18/618,016	3/27/2024
DISTANCE SENSED VERTICAL DESCENT ARREST SYSTEM AND METHODS	18/444,403	2/16/2024
Unmanned aerial vehicle and method of operation	18/430,112	2/1/2024
Methods and systems for cloud-based management of images captured by aerial vehicles	18/426,569	1/30/2024
VTOL Propeller adapter	18/412,922	1/15/2024

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
and method.		
MOTION PLANNING USING ACCELERATION PROFILES AND TRAJECTORY MAPPING	18/409,720	1/10/2024
TRAJECTORY MAPPING USING ACCELERATION PROFILES	18/409,735	1/10/2024
System For Protecting a Rotatable Shaft of a Motor from Excessive Bending Moments	18/533,458	12/8/2023
System and method for solar cell array communication	18/525,844	11/30/2023
INTERACTIVE WEAPON TARGETING SYSTEM DISPLAYING REMOTE SENSED IMAGE OF TARGET AREA	18/521,357	11/28/2023
Roll-Biased Skid-To-Turn Terminal Guidance with Rudder Integrator Feedback	18/564,534	11/27/2023
METHODS OF CLIMB AND GLIDE OPERATIONS OF A HIGH ALTITUDE LONG ENDURANCE AIRCRAFT	18/517,784	11/22/2023
Methods and Systems for Determining Flight Plans for Vertical Take-Off and Landing (VTOL) Aerial Vehicles	18/516,038	11/21/2023

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
Deep Stall Aircraft Landing	18/512,863	11/17/2023
OFF-CENTER PARACHUTE FLIGHT TERMINATION SYSTEM INCLUDING LATCH MECHANISM DISCONNECTABLE BY BURN WIRE	18/511,069	11/16/2023
Vertical Take-Off and Landing (VTOL) Winged Air Vehicle with Complementary Angled Rotors	18/387,383	11/6/2023
MOTOR MOUNT AND DAMPER	18/386,536	11/2/2023
SUPERVISORY SAFETY SYSTEM FOR CONTROLLING AND LIMITING UNMANNED AERIAL SYSTEM (UAS) OPERATIONS	18/386,377	11/2/2023
SURVEY MIGRATION SYSTEM FOR VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLES (UAVS)	18/386,209	11/1/2023
SYSTEMS AND DEVICES FOR AN RF SIGNAL CARRYING CABLE OF A MULTI-PACK LAUNCHER SYSTEM	18/367,422	9/12/2023
RIB MOUNTING FLANGES FOR AN UNMANNED	18/238,603	8/28/2023

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
AERIAL VEHICLE		
UNIVERSAL MULTIMODAL PAYLOAD CONTROL	18/453,778	8/22/2023
Ground Support Equipment for a High Altitude Long Endurance Aircraft	18/236,169	8/21/2023
Voronoi cropping of images for post field generation	18/221,569	7/13/2023
Methods and systems for retaining lateral control of an unmanned aerial vehicle during landing with leveled inboard propellers	18/212,840	6/22/2023
Multispectral filters	18/212,813	6/22/2023
Systems and devices for remotely operated unmanned aerial vehicle report-suppressing launcher with portable RF transparent launch tube	18/210,418	6/15/2023
Machine to machine targeting maintaining positive identification	18/208,987	6/13/2023
Dynamic transmission control for a wireless network	18/204,223	5/31/2023
Elevon control system	18/139,187	4/25/2023
System and method for performing precision guided air to ground package delivery	18/109,114	2/13/2023

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
Methods and systems for energy-efficient take-offs and landings for vertical take-off and landing (VTOL) aerial vehicles	18/107,191	2/8/2023
Stator winding heat sink configuration	18/104,283	1/31/2023
SYSTEM AND METHOD FOR INTERCEPTION AND COUNTERING UNMANNED AERIAL VEHICLES (UAVS)	18/095,879	1/11/2023
EXTRUDED WING PROTECTION SYSTEM AND DEVICE	17/992,601	11/22/2022
D-TRUSS WING STRUCTURE FOR AN UNMANNED AERIAL VEHICLE	17/797,808	8/5/2022
CAMERA BALL TURRET HAVING HIGH BANDWIDTH DATA TRANSMISSION TO EXTERNAL IMAGE PROCESSOR	17/879,405	8/2/2022
SYSTEMS AND METHODS FOR STARTING A	17/783,486	6/8/2022
HIGH ALTITUDE, LONG ENDURANCE, UNMANNED AIRCRAFT AND METHODS OF OPERATION THEREOF	17/688,739	3/7/2022
Method of assembling and operating an autorotating	17/644,657	12/16/2021

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
payload delivery device		
Autorotating payload delivery device	17/644,653	12/16/2021
METHOD OF OPERATING A HIGH ALTITUDE LONG ENDURANCE AIRCRAFT FOR MAXIMIZING SOLAR CAPTURE	17/605,929	10/22/2021
SYSTEM AND METHOD FOR AUTOMATED TAKE-OFF AND LANDING OF A HIGH ALTITUDE LONG ENDURANCE AIRCRAFT BASED ON THE LOCAL ENVIRONMENT	17/605,953	10/22/2021
METHOD OF FLIGHT PLAN OPTIMIZATION OF A HIGH ALTITUDE LONG ENDURANCE AIRCRAFT	17/605,910	10/22/2021
METHOD OF MANAGING A FLEET OF HIGH ALTITUDE LONG ENDURANCE AIRCRAFT	17/605,942	10/22/2021
SYSTEMS AND METHODS FOR DISTRIBUTED CONTROL COMPUTING FOR A HIGH ALTITUDE LONG ENDURANCE AIRCRAFT	17/605,716	10/22/2021

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
PRIVACY SHIELD FOR UNMANNED AERIAL SYSTEMS	17/479,177	9/20/2021
SYSTEMS AND METHODS FOR DELIVERY USING UNMANNED AERIAL VEHICLES	17/423,087	7/14/2021
INVERTIBLE AIRCRAFT	17129009	12/21/2020
POD OPERATING SYSTEM FOR A VERTICAL TAKE-OFF AND LANDING (VTOL) UNMANNED AERIAL VEHICLE (UAV)	17088459	11/3/2020
AD HOC DYNAMIC DATA LINK REPEATER	17071880	10/15/2020
FLUX CONCENTRATOR FOR IRONLESS MOTOR	16860045 20200395797	4/27/2020

U.S. Trademark Registrations

Mark	Reg. No.	Reg. Date
AV AeroVironment	7197042	10/17/2023
QUANTIX RECON	6466343	8/31/2021
CRYVALIS	6322501	4/13/2021
PROCEED WITH CERTAINTY	5525203	7/24/2018
PROCEED WITH CERTAINTY	5486890	6/5/2018
AEROVIRONMENT	5370262	1/2/2018
QUANTIX	5356307	12/12/2017
BLACKWING	5233759	6/27/2017
SNIPE	5205506	5/16/2017
RAVEN	5090368	11/29/2016
VAPOR	5031571	8/30/2016
AV	4723989	4/21/2015
AV AEROVIRONMENT (Stylized)	4593106	8/26/2014
AV AEROVIRONMENT (Stylized)	4593105	8/26/2014
AEROVIRONMENT	4593104	8/26/2014
AEROVIRONMENT	4593103	8/26/2014
SWITCHBLADE	4324673	4/23/2013
WASP	4134549	5/1/2012
AV AEROVIRONMENT (Stylized)	3535416	11/18/2008
AEROVIRONMENT	1999292	9/10/1996

U.S. Trademark Applications

<u>Mark</u>	<u>Appl. No.</u>	<u>Filing Date</u>
P550	98,621,138	6/26/2024
Red Dragon	98,621,147	6/26/2024
VAPOR 55	98,015,465	5/26/2023
VNS	98,015,509	5/26/2023
SOLAR CONNECTOR	90,642,581	4/13/2021

U.S. Copyright Registration

<u>Title</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
The Feasibility of constructing a flying replica of the Quetzalcoatlus northropi-the largest of the pterosaurs	TX0001546434	3/20/1985

(b) Arcturus UAV, Inc.

U.S. Issued Patents

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
METHOD FOR RECOVERING A UAV	9527603	12/27/2016
UAV RECOVERY SYSTEM	8783607	07/22/2014
UAV LAUNCH ATTACHMENT ASSEMBLY AND LAUNCH SYSTEM	8733695	05/27/2014

U.S. Trademark Registrations

<u>Mark</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
JUMP	4973691	06/07/2016
ARCTURUSUAV	4131689	04/24/2012

(c) Tomahawk Robotics, Inc.

U.S. Issued Patents

<u>Title</u>	<u>Patent Nos.</u>	<u>Issue Date</u>
CLASSIFICATION PARALLELIZATION ARCHITECTURE	12067768	08/20/2024
SYSTEMS AND METHODS OF DETECTING INTENT OF SPATIAL CONTROL	11886182	01/30/2024
UNIVERSAL CONTROL ARCHITECTURE FOR CONTROL OF UNMANNED SYSTEMS	11854410	12/26/2023
CLASSIFICATION PARALLELIZATION ARCHITECTURE	11776247	10/03/2023
INERTIALLY ISOLATED SPATIAL CONTROL	11675445	06/13/2023



U.S. Patent Applications

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
SYSTEMS AND METHODS OF DETECTING INTENT OF SPATIAL CONTROL	18540632	12/14/2023
	20240111303	
UNIVERSAL CONTROL	18469635	09/19/2023
	20240005801	

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
ARCHITECTURE FOR CONTROL OF UNMANNED SYSTEMS		
COMPUTER VISION CLASSIFIER DEFINED PATH PLANNING FOR UNMANNED AERIAL VEHICLES	18446450	08/08/2023
LAYERED FAIL-SAFE REDUNDANCY ARCHITECTURE AND PROCESS FOR USE BY SINGLE DATA BUS MOBILE DEVICE	18353866	07/17/2023
POINT-OF-INTEREST TRACKING AND ESTIMATION METHOD FROM UNMANNED SYSTEM	18350722	07/17/2023
INERTIALLY ISOLATED SPATIAL CONTROL	18311370 20230333671	05/03/2023
ARCHITECTURE FOR DISTRIBUTED ARTIFICIAL INTELLIGENCE AUGMENTATION	17930399 20240078763	09/07/2022
ARCHITECTURE FOR DISTRIBUTED ARTIFICIAL INTELLIGENCE AUGMENTATION	17702669 20230237802	03/23/2022
UNIVERSAL CONTROL ARCHITECTURE FOR CONTROL OF UNMANNED SYSTEMS	17571305 20220413490	01/07/2022
SPATIAL TELEOPERATION OF	17417206 20220075364	06/22/2021

<u>Title</u>	<u>Appl. No.</u>	<u>Filing Date</u>
LEGGED VEHICLES		
SYSTEMS AND METHODS OF REMOTE TELEOPERATION OF ROBOTIC VEHICLES	17417194 20220083054	06/22/2021

U.S. Trademark Registrations

<u>Mark</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
	6522848	10/19/2021
	6185761	10/27/2020

Schedule 5.19(c)

Deposit Accounts and Securities Accounts

Loan Party	Depository Institution	Account Number	Balance	Balance Date	Type of Account	
AeroVironment, Inc.	JPMorgan Chase Bank, N.A.	826096000	\$ 26,496,856.50	9/20/2024	Concentration	
AeroVironment, Inc.	JPMorgan Chase Bank, N.A.	826095986	\$ -	9/20/2024	Zero Balance Account	Excluded Account
AeroVironment, Inc.	JPMorgan Chase Bank, N.A.	826095960	\$ -	9/20/2024	Zero Balance Account	Excluded Account
AeroVironment, Inc.	JPMorgan Chase Bank, N.A.	826096026	\$ -	9/20/2024	Zero Balance Account	Excluded Account
AeroVironment, Inc.	JPMorgan Chase Bank, N.A.	826096059	\$ -	9/20/2024	Zero Balance Account	Excluded Account
AeroVironment, Inc.	JPMorgan Chase Bank, N.A.	831142336	\$ -	9/20/2024	Zero Balance Account	Excluded Account
AeroVironment, Inc.	JPMorgan Chase Bank, N.A.	865856980	\$ 2,197,399.79	9/20/2024	Deposit	
AeroVironment, Inc.	JPMorgan Chase Bank, N.A.	16232968	EUR 19,315.03	9/20/2024	Deposit	Excluded Account
AeroVironment, Inc.	Bank of America, N.A.	1459073577	\$ 1,271,596.51	8/30/2024	Deposit	
Arcturus UAV, Inc.	Torrey Pines Bank	8350645115	\$ 255,168.42	9/24/2024	Deposit	
Tomahawk Robotics Inc	Cypress Bank & Trust	360026259	\$ 28,005.18	8/30/2024	Deposit	
Tomahawk Robotics Inc	Silicon Valley Bank	3302495858	\$ 25,146.29	8/31/2024	Deposit	
Tomahawk Robotics Inc	JPMorgan Chase Bank, N.A.	937990890	\$ 208,888.78	8/30/2024	Deposit	
Money Market Accounts						
Loan Party	Intermediary	Account Number	Balance	Balance Date		
AeroVironment, Inc.	J.P. Morgan Securities	520-20806	\$ 5,221,947.01	9/24/2024		
AeroVironment, Inc.	US Bank N.A.	849000671	\$ 11,075,304.49	9/24/2024		

508401890.2

Schedule 5.19(d)

Real Property

	<u>Entity Name</u>	<u>Location Address</u>	<u>City</u>	<u>State</u>	<u>Zip Code</u>
<u>Facilities:</u>					
	AeroVironment, Inc.	900 Innovators Way	Simi Valley	CA	93065
	AeroVironment, Inc.	85 Moreland Rd.	Simi Valley	CA	93065
	AeroVironment, Inc.	994 Innovators Way	Simi Valley	CA	93065
	AeroVironment, Inc.	996 Innovators Way	Simi Valley	CA	93065
	AeroVironment, Inc.	14501 Princeton Avenue	Moorpark	CA	93021
	AeroVironment, Inc.	935 Explorer Blvd NW	Huntsville	AL	35806
	AeroVironment, Inc.	100 Quality Circle, Suite 100	Huntsville	AL	35806
	AeroVironment, Inc.	205-207 Lowell Street	Wilmington	MA	01887
	AeroVironment, Inc.	450 N Iowa St	Lawrence	KS	66044
	AeroVironment, Inc.	241 18th Street #650	Arlington	VA	22202
	AeroVironment, Inc.	1300 Lagoon Ave.	Minneapolis	MN	55408
	AeroVironment, Inc.	8206 Edinboro Rd.	Erie	PA	16509
	AeroVironment, Inc.	5870 Trinity Parkway (4th floor)	Centreville	VA	20120
	AeroVironment, Inc.	7540 Metropolitan Drive, suites 104-107	San Diego	CA	92108
	AeroVironment, Inc.	529 Martin Avenue	Rohnert Park	CA	94928
	AeroVironment, Inc.	1129 Industrial Ave	Petaluma	CA	94954
	Arcturus UAV, Inc.	1035 N. McDowell Blvd	Petaluma	CA	94954
	Arcturus UAV, Inc.	1039 N. McDowell Blvd	Petaluma	CA	94954
	Tomahawk Robotics Inc	1333 N Harbor City Blvd	Melbourne	FL	32935
	Tomahawk Robotics Inc	2326 Irwin St	Melbourne	FL	32901
	Tomahawk Robotics Inc	660 Pennsylvania Ave SE Suite 303	Washington	DC	20003
<u>Residential:</u>					
	Arcturus UAV, Inc.	1051 Allen Street	Petaluma	CA	94954
	AeroVironment, Inc.	1957 RIDGEGATE LANE #D	Simi Valley	CA	93065
	AeroVironment, Inc.	1948 HILLGATE WAY #J	Simi Valley	CA	93065
	AeroVironment, Inc.	1515 Richmond Hwy #1622	Arlington	CA	22202

Schedule 7.01

Liens Existing as of the Third Amendment Effective Date

None

508401890.2

Schedule 7.02

Indebtedness Existing as of the Third Amendment Effective Date

None

508401890.2

Schedule 7.03

Investments Existing as of the Third Amendment Effective Date

Loan Party	Fund	Committed Capital	Capital Account Balance	Balance Date
AeroVironment, Inc.	Franklin Blackhorse, L.P.	\$ 10,000,000.00	\$ 11,777,510.00	6/30/2024
AeroVironment, Inc.	Franklin Blackhorse II, L.P.	\$ 20,000,000.00	\$ 8,497,093.00	6/30/2024
Loan Party	SPAC Investments	Fair Value	Date	
AeroVironment, Inc.	Amprius shares	\$ 595,000.00	7/27/2024	
AeroVironment, Inc.	Amprius warrantes	\$ 110,000.00	7/27/2024	
AeroVironment, Inc.	Nauticus shares	\$ 928.00	7/27/2024	

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EXHIBIT A

[FORM OF] ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the “Assignor”) and [*Insert name of Assignee*] (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (a) all of the Assignor’s rights and obligations as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto in the amount[s] and equal to the percentage interest[s] identified below of all the outstanding rights and obligations of the Assignor under the respective facilities identified below (including Letters of Credit, Swingline Loans and Guarantees included in such facilities), and (b) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (a) above (the rights and obligations sold and assigned pursuant to clauses (a) and (b) above being referred to herein collectively as, the “Assigned Interest”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

- 1. Assignor: _____
[Assignor [is][is not] a Defaulting Lender.]

- 2. Assignee: _____
[and is an [Affiliate][Approved Fund] of [*identify Lender*]⁴]

- 3. Borrower: AeroVironment, Inc., a Delaware corporation (the “Borrower”)

- 4. Administrative Agent: Bank of America, N.A., as the administrative agent under the Credit Agreement

- 5. Credit Agreement: Credit Agreement, dated as of February 19, 2021, among the Borrower, the Guarantors party thereto, the Lenders from time to time party thereto, Bank of America, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party thereto

- 6. Assigned Interest: _____

⁴Select as applicable.

Facility Assigned ⁵	Aggregate Amount of Commitments/Loans for all Lenders*	Amount of Commitment/Loans Assigned*	Percentage Assigned of Commitments/Loans ⁶
	\$	\$	%
	\$	\$	%
	\$	\$	%

[7. Trade Date: _____]⁷

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

[signature pages follow]

⁵ Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment and Assumption (e.g. "Revolving Facility", etc.)

* Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

⁶ Set forth, to at least 9 decimals, as a percentage of the Commitments/Loans of all Lenders thereunder.

⁷ To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

The terms set forth in this Assignment and Assumption are hereby agreed to:

[NAME OF ASSIGNOR],
as the Assignor

By: _____

Name:

Title:

[NAME OF ASSIGNEE],
As the Assignee

By: _____

Name:

Title:

[Consented to and]⁸ Accepted:

BANK OF AMERICA, N.A.,
as the Administrative Agent

By: _____

Name:

Title:

[Consented to:]⁹

[BANK OF AMERICA, N.A.,
as [the Swingline Lender][[and] the L/C Issuer]

By: _____

Name:

Title:]

[[_____] ,
as an L/C Issuer

By: _____

Name:

Title:]

⁸To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

⁹To be added only if the consent of the Borrower and/or other parties (e.g. the L/C Issuer) is required by the terms of the Credit Agreement.

[AEROVIRONMENT, INC.,
a Delaware corporation

By: _____
Name:
Title:]

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STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION1. Representations and Warranties.

1.1. Assignor. The Assignor: (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby, and (iv) it is [not] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee: (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets the requirements to be an assignee under the terms of the Credit Agreement (subject to such consents, if any, as may be required under the terms of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement and the other Loan Documents as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 6.01 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, and (vii) attached hereto is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract.

Delivery of an executed counterpart of a signature page of this Assignment and Assumption by fax transmission or e-mail transmission (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. THIS ASSIGNMENT AND ASSUMPTION AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS ASSIGNMENT AND ASSUMPTION AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

Check for distribution to Public Lenders and Private side Lenders¹

EXHIBIT B

[FORM OF] COMPLIANCE CERTIFICATE

Date: _____

I, _____, [Chief Executive Officer][Chief Financial Officer][Treasurer][Controller] of AeroVironment, Inc., a Delaware corporation (the "Borrower"), hereby certify that, to the best of my knowledge and belief, in my capacity as [Chief Executive Officer][Chief Financial Officer][Treasurer][Controller] and not in my individual capacity, with respect to that certain Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among the Borrower, the Guarantors party thereto, the Lenders from time to time party thereto, Bank of America, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party thereto:

1. This Compliance Certificate is delivered for the fiscal [year][quarter] of the Borrower ended _____, 20__.

[Use following paragraph 2 for fiscal year-end financial statements:]

[2. The year-end audited financial statements required by Section 6.01(a) of the Credit Agreement for the fiscal year of the Borrower ended as of the date set forth in paragraph 1, together with the report and opinion of an independent certified public accountant required by such section, have been delivered to the Administrative Agent.]

[Use following paragraph 2 for fiscal quarter-end financial statements:]

[2. The unaudited financial statements required by Section 6.01(b) of the Credit Agreement for the fiscal quarter of the Borrower ended as of the date set forth in paragraph 1 have been delivered to the Administrative Agent. The Consolidated financial statements required by Section 6.01(b) of the Credit Agreement fairly present the financial condition, results of operations and cash flows of the Borrower and its Subsidiaries as at such date and for such period, subject only to normal year-end audit adjustments and the absence of footnotes.]

3. The undersigned has reviewed and is familiar with the terms of the Credit Agreement and has made, or has caused to be made, a review of the transactions and financial condition of the Borrower and its Subsidiaries during the accounting period covered by the financial statements delivered herewith.

4. A review of the activities of the Loan Borrower and its Subsidiaries during such fiscal period has been made under the supervision of the undersigned with a view to determining whether during such fiscal period the Borrower and its Subsidiaries performed and observed all their respective obligations under the Loan Documents, and

[select one:]

¹ If this box is not checked, this Compliance Certificate will only be posted to Private side Lenders.

[to the knowledge of the undersigned, during such fiscal period, no Default has occurred and is continuing.]

[or:]

[to the knowledge of the undersigned, during such fiscal period, the following is a list of each Default that has occurred and is continuing, the nature and status of such Default, and actions that have been taken or are proposed to be taken to cure such Default:]

5. Attached hereto as Schedule 1 are calculations of (a) the financial covenants set forth in Section 7.11 of the Credit Agreement as of the last day of and for the Measurement Period ending on the last day of the period covered by the financial statements delivered herewith, (b) the Available Amount as of the date of this Compliance Certificate, and (c) the Consolidated Leverage Ratio as of the last day of and for the Measurement Period ending on the last day of the period covered by the financial statements delivered herewith. Such calculations are true, correct and complete on and as of the date of this Compliance Certificate.

6. Attached hereto as Schedule 2 is a listing of (a) all applications with the United States Patent and Trademark Office or the United States Copyright Office by any Loan Party, if any, for any Intellectual Property made since the date of the most recently delivered Compliance Certificate (or, in the case of the first Compliance Certificate delivered after the Closing Date pursuant to Section 6.02(a) of the Credit Agreement, the Closing Date), (b) all issuances of registrations or letters on existing applications with the United States Patent and Trademark Office or the United States Copyright Office by any Loan Party, if any, for any Intellectual Property received since the date of such prior Compliance Certificate (or, in the case of the first Compliance Certificate delivered after the Closing Date pursuant to Section 6.02(a) of the Credit Agreement, the Closing Date), and (c) all licenses relating to any Intellectual Property registered with the United States Patent and Trademark Office or the United States Copyright Office entered into by any Loan Party since the date of such prior Compliance Certificate (or, in the case of the first Compliance Certificate delivered after the Closing Date pursuant to Section 6.02(a) of the Credit Agreement, the Closing Date).²

7. Any Supply Chain Financing consummated during the period covered by the financial statements delivered herewith was a Permitted Supply Chain Financing. The outstanding amount of all accounts receivable sold or purported to be sold in connection with all such Permitted Supply Chain Financings, which accounts receivable remain uncollected and un-repurchased as of the last day of the period covered by the financial statements delivered herewith, was \$[___].

[8. Attached hereto as Schedule 3 is updated evidence of insurance for any insurance coverage of the Loan Parties that was renewed, replaced or modified during the period covered by this Compliance Certificate.³]

[8.][9.] Attached hereto as Schedule [3][4] is a copy of management's discussion and analysis with respect to the financial statements delivered herewith.

[signature page follows]

² If no such updates are applicable, Schedule 2 should reflect "None".

³ Only required to be included for Compliance Certificates delivered in connection with financial statements delivered pursuant to Section 6.01(a) of the Credit Agreement. If no such updates are applicable, Schedule 3 should reflect "None".

IN WITNESS WHEREOF, the undersigned has executed this Compliance Certificate as of the date first written above.

AEROVIRONMENT, INC.,
a Delaware corporation

By: _____
Name:
Title:

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Schedule 1

Calculation of Financial Covenants; Calculation of Available Amount; Calculation of Consolidated Leverage Ratio

In the event of conflict between the provisions and formulas set forth in this Schedule 1 and the provisions and formulas set forth in the Credit Agreement, the provisions and formulas of the Credit Agreement shall prevail.

(I) Section 7.11(a) – Consolidated Senior Secured Leverage Ratio.

(a) Consolidated Funded Indebtedness

without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

- (i) all obligations of the Borrower and its Subsidiaries on a Consolidated basis, whether current or long-term, for borrowed money (including the Obligations) and all obligations of the Borrower and its Subsidiaries on a Consolidated basis evidenced by bonds, debentures, notes, loan agreements or other similar instruments: \$ _____
- (ii) all purchase money Indebtedness of the Borrower and its Subsidiaries on a Consolidated basis: \$ _____
- (iii) the principal portion of all obligations of the Borrower and its Subsidiaries on a Consolidated basis under conditional sale or other title retention agreements relating to property purchased by the Borrower or any Subsidiary thereof (other than customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business): \$ _____
- (iv) all obligations of the Borrower and its Subsidiaries on a Consolidated basis arising under, without duplication, (A) letters of credit (including standby and commercial, and including the Letters of Credit), bankers' acceptances, bank guaranties, surety bonds and similar instruments, and (B) the Bilateral Letters of Credit: \$ _____
- (v) all obligations of the Borrower and its Subsidiaries on a Consolidated basis in respect of the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and not past due for more than ninety (90) days after the date on which such trade account payable was created), including any Earn Out Obligations: \$ _____
- (vi) all Attributable Indebtedness of the Borrower and its Subsidiaries on a Consolidated basis: \$ _____
- (vii) all obligations of the Borrower and its Subsidiaries on a Consolidated basis to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interests in the Borrower, its Subsidiaries or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or \$ _____

involuntary liquidation preference plus accrued and unpaid dividends:

- (viii) all Funded Indebtedness of other Persons secured by (or for which the holder of such Funded Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on, or payable out of the proceeds of production from, property owned or acquired by the Borrower and its Subsidiaries on a Consolidated basis, whether or not the obligations secured thereby have been assumed: \$ _____
 - (ix) all Guarantees provided by the Borrower and its Subsidiaries on a Consolidated basis with respect to Funded Indebtedness of another Person: \$ _____
 - (x) all Funded Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which the Borrower or any of its Subsidiaries is a general partner or joint venturer, except to the extent that such Funded Indebtedness is expressly made non-recourse to the Borrower and its Subsidiaries on a Consolidated basis: \$ _____
 - (xi) Consolidated Funded Indebtedness [Lines (I)(a)(i) + (ii) + (iii) + (iv) + (v) + (vi) + (vii) + (viii) + (ix) + (x)]: \$ _____
 - (xii) Amount of Consolidated Funded Indebtedness that constitutes Junior Debt¹³: \$ _____
 - (xiii) Consolidated Senior Secured Funded Indebtedness [Line (I)(a)(xi) – Line (I)(a)(xii)]: \$ _____
- (b) Consolidated EBITDA
- for the Borrower and its Subsidiaries on a Consolidated basis, for the Measurement Period most recently completed, an amount equal to:
- (i) Consolidated Net Income for such period: \$ _____
- the following, without duplication, to the extent deducted in calculating such Consolidated Net Income (or, in the case of amounts pursuant to Line I(b)(ix) below, not already included in Consolidated Net Income):
- (ii) Consolidated Interest Charges for such period:
 - (A) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case with respect to such period to the extent treated as interest in accordance with GAAP: \$ _____
 - (B) all interest paid or payable with respect to discontinued operations for such period: \$ _____

¹³ Amount should be determined giving effect to the proviso set forth in the definition of “Consolidated Senior Secured Funded Indebtedness”.

- (C) the portion of rent expense under Capitalized Leases for such period that is treated as interest in accordance with GAAP: \$ _____
- (D) the “discount rate” (or similar concept evidencing the amount of the discount) applicable to the accounts receivable sold in such period pursuant to a Permitted Supply Chain Financing: \$ _____
- (E) Consolidated Interest Charges [Lines (I)(b)(ii)(A) + (B) + (C) + (D)]: \$ _____
- (iii) the provision for federal, state, local and foreign income taxes paid or payable for such period: \$ _____
- (iv) depreciation and amortization expense for such period: \$ _____
- (v) any non-cash expenses, losses or charges (other than any non-cash expense, loss or charge relating to write-offs, write-downs or reserves with respect to accounts or inventory) for such period (including any non-cash stock based compensation expense for such period) which do not represent a cash item in such period or any other period: \$ _____
- (vi) fees, costs and expenses incurred by the Borrower and its Subsidiaries in such period in connection with the negotiation, execution and delivery of any amendments or modifications to the Loan Documents: \$ _____
- (vii) restructuring charges or reserves (which shall include retention, severance, systems establishment cost, excess pension charges, contract termination costs, costs related to start up, closure, relocation or consolidation of facilities, costs to relocate employees, consulting fees, one time information technology costs, and one time branding costs): ¹⁴ \$ _____
- (viii) fees, costs, and expenses incurred in such period in connection with the issuance of Equity Interests or Indebtedness, the consummation of Permitted Acquisitions, and the consummation of other Investments permitted pursuant to Section 7.03 of the Credit Agreement (in each case whether consummated before or after the Closing Date), whether or not such transaction is actually consummated: \$ _____
- (ix) the amount of net cost savings and synergies related to any Permitted Acquisition or other Investment permitted pursuant to Section 7.03 of the Credit Agreement, but only to the extent that such net cost savings and synergies are reasonably identifiable, factually supportable and projected by the Borrower in good faith to result from actions that have been taken (or, if not yet taken, with respect to actions for which substantial steps have been taken) within twelve (12) months after the consummation of such Permitted Acquisition or such Investment (with the amount of any such net cost savings and synergies to be added to Consolidated EBITDA as so projected until fully realized and calculated on a Pro Forma Basis as though such net cost savings and synergies had been realized on the first day of \$ _____

¹⁴ provided, that, the aggregate amount added back pursuant to this Line (I)(b)(vii) for any period, when taken together with the aggregate amount added back pursuant to Line (I)(b)(ix) below for such period, shall not exceed an amount equal to twenty percent (20%) of Consolidated EBITDA (calculated without giving effect to the add backs permitted pursuant to this Line (I)(b)(vii) or Line (I)(b)(ix) below) for such period.

¹⁵ provided, that, the aggregate amount added back pursuant to this Line (I)(b)(ix) for any period, when taken together with the aggregate amount added back pursuant to Line (I)(b)(vii) above for such period, shall not exceed an amount equal to twenty percent (20%) of Consolidated EBITDA (calculated without giving effect to the add backs permitted pursuant to this Line (I)(b)(ix) or Line (I)(b)(vii) above) for such period.

such period), net of the amount of actual benefits realized during such period from such actions:¹⁵

the following, without duplication, to the extent including in calculating such Consolidated Net Income:

- (x) any non-cash income or gains for such period: \$ _____
- (xi) federal, state, local and foreign income tax credits received in such period: \$ _____
- (xii) Consolidated EBITDA [Lines (I)(b)(i) + (ii)(E) + (iii) + (iv) + (v) + (vi) + (vii) + (viii) + (ix) - (x) - (xi)]: \$ _____
- (c) Consolidated Senior Secured Leverage Ratio [Line (I)(a)(xiii) ÷ Line (I)(b)(xii)]: _____ to 1.00
- (d) Maximum Consolidated Senior Secured Leverage Ratio:¹⁶ _____ to 1.00
- (e) In compliance? [Yes][No]

¹⁶ The maximum Consolidated Senior Secured Leverage Ratio shall not be greater than the Leverage Ratio Target.

(II) Section 7.11(b) – Consolidated Fixed Charge Ratio.

- (a) Consolidated EBITDA (see Line (I)(b)(xii)): \$ _____
- (b) Consolidated Maintenance Capital Expenditures for such period: \$ _____
- (c) Consolidated Interest Charges paid in cash
- in each case, for the Borrower and its Subsidiaries on a Consolidated basis, to the extent paid in cash for the Measurement Period:
- (i) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case with respect to such period to the extent treated as interest in accordance with GAAP: \$ _____
- (ii) all interest paid or payable with respect to discontinued operations for such period: \$ _____
- (iii) the portion of rent expense under Capitalized Leases that is treated as interest in accordance with GAAP for such period: \$ _____
- (iv) the “discount rate” (or similar concept evidencing the amount of the discount) applicable to the accounts receivable sold in such period pursuant to a Permitted Supply Chain Financing: \$ _____
- (v) Consolidated Interest Charges paid in cash [Lines (II)(c)(i) + (ii) + (iii) + (iv)]: \$ _____
- (d) Consolidated Scheduled Funded Debt Payments for such period: \$ _____
- (e) Consolidated Cash Taxes for such period: \$ _____
- (f) Aggregate amount of all Designated Restricted Payments made in such period: \$ _____
- (g) Consolidated Fixed Charge Ratio [(Lines (II)(a) – (b)) ÷ (Lines (II)(c)(v) + (d) + (e) + (f))]: _____ to 1.00
- (h) Minimum Consolidated Fixed Charge Leverage Ratio: 1.25 to 1.00
- (i) In compliance? [Yes][No]

(III) Available Amount.

the sum of, without duplication,

- (a) \$30,000,000 \$30,000,000

- (b) an amount, not less than zero in the aggregate, equal to fifty percent (50%) of the cumulative Consolidated Net Income for the period (taken as one accounting period) commencing from the first day of the first full fiscal quarter of the Borrower ending after the Closing Date to the end of the fiscal quarter of the Borrower most recently ended: \$ _____

- (c) one hundred percent (100%) of the net cash proceeds received by the Borrower prior to the last day of the period covered by the financial statements delivered herewith from issuances after the Closing Date of Qualified Capital Stock of the Borrower (solely to the extent such net cash proceeds are Not Otherwise Applied): \$ _____

- (d) the amount of any Investment made following the Closing Date in reliance on the Available Amount to the extent that such amount is returned in cash prior to the last day of the period covered by the financial statements delivered herewith from the return of, or a return on, principal of such Investment (other than a sale to a Loan Party or a Subsidiary), or from a dividend or interest received with respect to such Investment: \$ _____

- (e) the amount by which Indebtedness of the Borrower or any of its Subsidiaries is reduced on the Borrower's Consolidated balance sheet prior to the last day of the period covered by the financial statements delivered herewith upon the conversion or exchange of such Indebtedness for Qualified Capital Stock of the Borrower (less the amount of any cash or the fair market value of other property distributed by the Borrower or any Subsidiary upon such conversion or exchange, other than in connection with a restructuring): \$ _____

- (f) the cumulative aggregate amount of all Investments made in reliance on the Available Amount pursuant to Section 7.03(n) of the Credit Agreement: \$ _____

- (g) the cumulative aggregate amount of all Junior Debt Payments made in reliance on the Available Amount pursuant to Section 7.14(a)(iii) of the Credit Agreement: \$ _____

- (h) Available Amount [(Lines III)(a) + (b) + (c) + (d) + (e)) – (Lines III(f) + (g))] \$ _____

(IV) Consolidated Leverage Ratio.

- (a) Consolidated Funded Indebtedness [Line I(a)(xi)]: \$ _____
- (a) Consolidated EBITDA [Line I(b)(xii)]: \$ _____
- (c) Consolidated Leverage Ratio [Line (IV)(a) / Line (IV)(b)]: _____

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Schedule 2

Intellectual Property

Schedule 3

Insurance

Schedule 4

Management's Discussion and Analysis

1874658v5

EXHIBIT D

[FORM OF] LOAN NOTICE

Date: _____, _____

To: Bank of America, N.A., as the Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among AeroVironment, Inc., a Delaware corporation (the "Borrower"), the Guarantors party thereto, the Lenders from time to time party thereto, Bank of America, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party thereto.

The Borrower hereby requests (select one):

A [Revolving Borrowing][Incremental Term Borrowing]

A [conversion][continuation] of [Revolving Loans][Incremental Term Loans]

1. On: _____ (a Business Day)
2. In the principal amount of: \$ _____
3. Comprised of: [Base Rate Loans][Term SOFR Loans]
4. For Term SOFR Loans: with an Interest Period of _____

[With respect to such Borrowing, the Borrower hereby represents and warrants that [(a) such request complies with the requirements of Section 2.01[(b)][(c)] of the Credit Agreement, and (b)] each of the conditions specified in Sections 4.02(a), (b) and (d) of the Credit Agreement have been satisfied on and as of the date of such Borrowing.]

[signature page follows]

IN WITNESS WHEREOF, the undersigned has caused this Loan Notice to be executed by a duly authorized officer as of the date first written above.

AEROVIRONMENT, INC.,
a Delaware corporation

By: _____
Name:
Title:

1874658v5

EXHIBIT E

[FORM OF] NOTICE OF LOAN PREPAYMENT

Date: _____, _____

To: Bank of America, N.A., as the [Administrative Agent][Swingline Lender]

[Cc: Bank of America, N.A., as the Administrative Agent]

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among AeroVironment, Inc., a Delaware corporation (the "Borrower"), the Guarantors party thereto, the Lenders from time to time party thereto, Bank of America, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party thereto.

The Borrower hereby notifies [the Administrative Agent][and the Swingline Lender] that on _____, pursuant to the terms of Section 2.05(a) of the Credit Agreement, the Borrower intends to prepay/repay the Loans as more specifically set forth below:

- Voluntary prepayment of [Revolving Loans][Incremental Term Loans] in the following amount(s):
 - Term SOFR Loans: \$ _____
Applicable Interest Period: _____
 - Base Rate Loans: \$ _____
- Voluntary prepayment of Swingline Loans in the following amount(s): \$ _____

[signature page follows]

IN WITNESS WHEREOF, the undersigned has caused this Notice of Loan Prepayment to be executed by a duly authorized officer as of the date first written above.

AEROVIRONMENT, INC.,
a Delaware corporation

By: _____
Name:
Title:

1874658v5

EXHIBIT F

[FORM OF] SECURED PARTY DESIGNATION NOTICE

Date: _____, _____

To: Bank of America, N.A., as the Administrative Agent

Ladies and Gentlemen:

THIS SECURED PARTY DESIGNATION NOTICE is made by _____, a _____ (the "Designor"), to Bank of America, N.A., as the Administrative Agent under that certain Credit Agreement referenced below. All capitalized terms not defined herein shall have the meaning ascribed to them in the Credit Agreement.

WITNESSETH:

WHEREAS, AeroVironment, Inc., a Delaware corporation (the "Borrower"), the Guarantors party thereto, the Lenders from time to time party thereto, Bank of America, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party thereto, have entered into that certain Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement") pursuant to which certain loans and financial accommodations have been made to the Borrower;

WHEREAS, in connection with the Credit Agreement, a Lender or an Affiliate of a Lender is permitted to designate its [Cash Management Agreement][Swap Contract][Bilateral Letter of Credit] as a ["Secured Cash Management Agreement"]["Secured Hedge Agreement"]["Secured Bilateral Letter of Credit"] under the Credit Agreement and the Collateral Documents;

WHEREAS, the Credit Agreement requires that the Designor deliver this Secured Party Designation Notice to the Administrative Agent; and

WHEREAS, the Designor has agreed to execute and deliver this Secured Party Designation Notice.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Designation. The Designor hereby designates the [Cash Management Agreement][Swap Contract][Bilateral Letter of Credit] described on Schedule 1 hereto to be a ["Secured Cash Management Agreement"]["Secured Hedge Agreement"]["Secured Bilateral Letter of Credit"] and hereby represents and warrants to the Administrative Agent that such [Cash Management Agreement][Swap Contract][Bilateral Letter of Credit] satisfies all the requirements under the Loan Documents to be so designated. By executing and delivering this Secured Party Designation Notice, the Designor, as provided in the Credit Agreement, hereby agrees to be bound by all of the provisions of the Loan Documents which are applicable to it as a provider of a [Secured Cash Management Agreement][Secured Hedge Agreement][Secured Bilateral Letter of Credit] and hereby (a) confirms that it has received a copy of the Loan Documents and such other documents and information as it has deemed appropriate to make its own decision to enter into this Secured Party Designation Notice, (b) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement, the other Loan Documents or any other instrument or document furnished

pursuant thereto as are delegated to the Administrative Agent by the terms thereof, together with such powers as are incidental thereto (including the provisions of Section 9.01 of the Credit Agreement), and (c) agrees that it will be bound by the provisions of the Loan Documents and will perform in accordance with its terms all the obligations which by the terms of the Loan Documents are required to be performed by it as a provider of a [Cash Management Agreement][Swap Contract][Bilateral Letter of Credit]. Without limiting the foregoing, the Designor agrees to indemnify the Administrative Agent as contemplated by Section 11.04(c) of the Credit Agreement.

2. GOVERNING LAW. THIS SECURED PARTY DESIGNATION NOTICE AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS SECURED PARTY DESIGNATION NOTICE AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

3. This Secured Party Designation Notice may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Secured Party Designation Notice by fax transmission or e-mail transmission (e.g., “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Secured Party Designation Notice. Subject to Section 11.18 of the Credit Agreement, this Secured Party Designation Notice may be in the form of an Electronic Record and may be executed using Electronic Signatures, including facsimile and .pdf, and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record

[signature pages follow]

IN WITNESS WHEREOF, the undersigned have caused this Secured Party Designation Notice to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

[DESIGNOR]

By: _____
Name:
Title:

BANK OF AMERICA, N.A.,
as the Administrative Agent

By: _____
Name:
Title:

1874658v5

Schedule 1

[Cash Management Agreement][Swap Contract][Bilateral Letter of Credit]

1874658v5

EXHIBIT G

[FORM OF] SOLVENCY CERTIFICATE

[Date]

Reference is hereby made to that certain Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time prior to the date hereof, including in connection with [the [Amendment]], the "Credit Agreement"), by and among AeroVironment, Inc., a Delaware corporation (the "Borrower"), the Guarantors party thereto, the Lenders party thereto, Bank of America, N.A., as the Administrative Agent, the Swingline Lender, and an L/C Issuer, and the other L/C Issuers party thereto. Capitalized terms used herein but not otherwise defined herein shall have the meanings provided to such terms in the Credit Agreement.

This Solvency Certificate (this "Solvency Certificate") is being executed and delivered pursuant to Section of [*describe applicable document*] (the "[Amendment]").

I, , the chief financial officer of the Borrower, solely in such capacity and not in an individual capacity, hereby certify that I am the chief financial officer of the Borrower and that I am familiar with the businesses and assets of the Borrower and its Subsidiaries, I have made such other investigations and inquiries as I have deemed appropriate and I am duly authorized to execute this Solvency Certificate on behalf of the Borrower pursuant to the Credit Agreement.

I further certify, solely in my capacity as chief financial officer of the Borrower and not in my individual capacity, as of the date hereof and after giving effect to the [transactions contemplated by the [Amendment] and the Credit Agreement to be consummated on the date hereof], that (a) the fair value of the property of the Borrower and its Subsidiaries, on a consolidated basis, is greater than the total amount of liabilities, including contingent liabilities, of the Borrower and its Subsidiaries, on a consolidated basis, (b) the present fair salable value of the assets of the Borrower and its Subsidiaries, on a consolidated basis, is not less than the amount that will be required to pay the probable liability of the Borrower and its Subsidiaries, on a consolidated basis, on its debts as they become absolute and matured, (c) the Borrower and its Subsidiaries, on a consolidated basis, do not intend to, and do not believe that they will, incur debts or liabilities beyond the ability of the Borrower and its Subsidiaries, on a consolidated basis, to pay such debts and liabilities as they mature, (d) the Borrower and its Subsidiaries, on a consolidated basis, are not engaged in business or a transaction, and are not about to engage in business or a transaction, for which the property of the Borrower and its Subsidiaries, on a consolidated basis, would constitute an unreasonably small capital, and (e) the Borrower and its Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. For purposes hereof, the amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, I have executed this Solvency Certificate on the date first written above.

AEROVIRONMENT, INC.,
a Delaware corporation

By: _____

Name:

Title: Chief Financial Officer

THIRD AMENDMENT TO LEASE AGREEMENT
(900 Enchanted Way, Simi Valley, CA 93065)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Third Amendment") dated for reference as of October 16, 2024, is entered into by and between **HILLSIDE III LLC**, a California limited liability company, as Lessor, and **AEROVIRONMENT, INC.**, a Delaware corporation, as Lessee, with reference to the following:

Recitals

A. Lessor and Lessee have entered into that certain AIR Commercial Real Estate Association Standard Industrial/Commercial Lease - Net, dated March 1, 2008, as addended, and as amended by that certain First Amendment to Lease Agreement, dated December 1, 2013 (the "First Amendment"), for the premises located at 900 Innovators Way, Simi Valley, CA 93065 (formerly known as 900 Enchanted Way, Simi Valley, CA 93065), more particularly described therein (collectively, the "Lease"). Each initially capitalized term not defined in this Third Amendment shall have the meaning ascribed to such term in the Lease. Each sectional reference below shall mean and refer to the corresponding section of the Lease.

B. Lessor and Lessee desire and intend to amend the Lease on the terms and conditions set forth hereinbelow.

NOW, THEREFORE, in consideration of the terms and provisions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby amends the Lease as follows:

1. **TERM.** The term of the Lease is hereby extended for a period of FIVE (5) years, commencing on June 1, 2025 and terminating on May 31, 2030 (the "Termination Date").
2. **BASE RENT:** Subject to the terms of Section 3, below, the Base Rent for the Premises shall be increased to the amounts provided below during the applicable periods listed below:
 - (a) For the period from June 1, 2025 to and including May 31, 2026, the Base Rent for the Premises shall be \$75,096.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
 - (b) For the period from June 1, 2026 to and including May 31, 2027, the Base Rent for the Premises shall be \$77,349.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
 - (c) For the period from June 1, 2027 to and including May 31, 2028, the Base Rent for the Premises shall be \$79,669.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
 - (d) For the period from June 1, 2028 to and including May 31, 2029, the Base Rent for the Premises shall be \$82,060.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
 - (e) For the period from June 1, 2029 to and including May 31, 2030, the Base Rent for the Premises shall be \$84,522.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended.

Initials MK / ML

3. **CONTINGENCY.** Landlord and Tenant acknowledge and agree that the Base Rent schedule provided in Section 2 above is conditioned upon the execution by Tenant, not later than December 31, 2024, of amendments the parties are currently negotiating regarding space leased by Tenant at 994 Innovators Way and 996 Innovators Way (the "Other Amendments"). The Other Amendments are attached hereto as Exhibit A. If Tenant fails to execute the Other Amendments by December 31, 2024, then Tenant's lease of space at 994 Innovators Way and 996 Innovators Way shall remain unmodified, but the following Base Rent schedule shall be substituted for the one in Section 2, above:

- (a) For the period from June 1, 2025 to and including May 31, 2026, the Base Rent for the Premises shall be \$85,336.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (b) For the period from June 1, 2026 to and including May 31, 2027, the Base Rent for the Premises shall be \$87,896.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (c) For the period from June 1, 2027 to and including May 31, 2028, the Base Rent for the Premises shall be \$90,533.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (d) For the period from June 1, 2028 to and including May 31, 2029, the Base Rent for the Premises shall be \$93,249.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (e) For the period from June 1, 2029 to and including May 31, 2030, the Base Rent for the Premises shall be \$96,047.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended.

4. **NO ABATEMENT OF RENT.** Paragraph 4 of the Second Amendment relating to prior Base Rent abatement is deleted in its entirety. There shall be no abatement of Base Rent under this Third Amendment.

5. **OPTION TO EXTEND TERM:** Lessee is granted one option to extend the lease for a period of five (5) years commencing immediately after the expiration of the current lease term. It shall be the obligation of Lessee to notify Lessor of its intention to exercise its option to renew within the period between 270 days and 360 days prior to the day that the current lease term expires. The notification of the intent to exercise its option shall be sent by Lessee in writing by U.S. mail certified, overnight courier delivery or registered with return receipt requested.

The commencement rent for the first month of the option period shall be equal to comparable market rent for a similar building located within a ten-mile radius of the lease property giving consideration to all concessions, tenant improvement allowance and rental abatement for a non-renewal and non-sublease space. In analyzing the comparable building properties, the parties may take into account all factors including ceiling height, parking ratio, loading docks, loading doors and height/size of those doors, HV AC, office build out, electrical power and distribution, skylights, yard space, the general location and the view from inside the Building.

Upon receipt within the time period spelled out above and the Lessee's exercise of its option to extend said lease both parties will meet and confer in an attempt to arrive at the beginning rent during the option period. If the parties are not able to agree on the option period rent, each party shall designate an independent licensed real estate broker who has dealt with industrial property in the Simi Valley for not less than five (5) years (and who shall not be a current or former employee of either party) from the date of his appointment, and is at that time employed by an established real estate brokerage firm. If both brokers are unable to agree on the reasonable commencement rent for the option period, then both brokers will attempt to designate a third broker with qualifications at least as stringent as those required of the original brokers.

Initials MK / ML

Said third broker shall be given all of the material used by the original brokers to base their reasonable market value, and said broker shall make his own investigation. The third broker then shall select the opinion of one broker as the most correct value, and the value selected by said third broker shall be binding upon the parties.

If two original brokers cannot agree on a third broker, or if the third broker is unacceptable to the parties as defined herein, then either party may request that the presiding judge of the Superior Court of the County of Ventura select a commercial real estate broker from the list usually kept by said presiding judge, and said appointed brokers opinion shall be absolutely binding on all parties.

Any outside broker representing Lessee will receive a commission in an amount to be negotiated for the option term, payable by Lessor.

If Lessee is in monetary default on the date of giving the option notice or at any time prior to the commencement of the renewal term, the option notice shall be totally ineffective and this Lease shall expire at the end of the current term.

Notwithstanding the foregoing, the new Market Rent Value shall not be less than the rent payable for the month immediately preceding the rent adjustment.

6. **BROKER'S FEE.** Except as previously paid by either Lessor or Lessee, Lessor agrees to pay to CBRE, Inc., (the "Broker") any broker's fee due to the Broker as a result of the terms of this Third Amendment.

7. **WARRANTIES AND REPRESENTATIONS.** Lessee warrants and represents to Lessor that: (a) there are no present and outstanding breaches of the Lease by Lessor and (b) Lessee currently has no claims or offsets of any kind or nature against Lessor.

8. **LEASE CONTINUES IN FULL FORCE AND EFFECT.** Except as set forth in this Third Amendment, the Lease remains unmodified and continues in full force and effect in accordance with its terms.

9. **SUCCESES AND ASSIGNS.** This Third Amendment shall be binding on Lessor's and Lessee's respective successors and assigns.

10. **COUNTERPARTS.** This Third Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

11. **PARKING LOT REFURBISHMENT.** Within a reasonable time after the completion of the repair and remediation of the storm drain system and sinkhole currently present in the parking lot of the Premises, Lessee shall, refurbish the parking lot including new asphalt, slurry coat and restriping of the parking area at the property, and fill and seal all cracks in the parking lot at Lessee's sole cost and expense. For the avoidance of any doubt, all costs related to the repair and remediation of the storm drain system and sinkhole shall be borne by the Landlord as currently agreed to by the parties.

Initials MK / ML

IN WITNESS WHEREOF, Lessor and Lessee hereby execute this Third Amendment as of the date and year first written above.

Dated this 16th day of Oct, 2024.

"LESSOR"

HILLSIDE III LLC
A California Limited Liability Company
MID VALLEY PROPERTIES,
Managing Agent

"LESSEE"

AEROVIRONMENT, INC.
A Delaware Corporation

By /s/ Mark Lewis
Mark Lewis
Sr. Manager, Real Estate, Facilities and EH&S

By /s/ Margaret Kestly
Margaret Kestly, Authorized Agent

Initials MK / ML

EXHIBIT A**OTHER AMENDMENTS****THIRD AMENDMENT TO LEASE AGREEMENT**

(994 Innovators Way, Simi Valley, CA 93065)

THIS THIRD AMENDMENT TO LEASE AGREEMENT (this "Third Amendment") dated for reference as of August 6, 2024, is entered into by and between **HILLSIDE ASSOCIATES II, LLC**, a California limited liability company, as Lessor, and **AEROVIRONMENT, INC.**, a Delaware corporation, as Lessee, with reference to the following:

Recitals

A. Lessor and Lessee have entered into that certain AIR Commercial Real Estate Association Standard Industrial/Commercial Lease - Net, dated April 21, 2008, as addended, and as amended by that certain First Amendment to Lease Agreement, dated December 1, 2013 (the "First Amendment"), for the premises formerly known as 994 Flower Glen Street, Simi Valley, CA 93065 and now commonly known as 994 Innovators Way, Simi Valley, CA 93065, more particularly described therein (collectively, the "Lease"). Each initially capitalized term not defined in this Second Amendment shall have the meaning ascribed to such term in the Lease. Each sectional reference below shall mean and refer to the corresponding section of the Lease.

B. Lessor and Lessee desire and intend to amend the Lease on the terms and conditions set forth hereinbelow.

NOW, THEREFORE, in consideration of the terms and provisions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby amends the Lease as follows:

1. **TERM.** The term of the Lease is hereby extended for a period of FOUR (4) years, commencing on December 1, 2027 and terminating on November 30, 2031 (the "Termination Date").

2. **BASE RENT:** The Base Rent for the Premises shall be increased to the amounts provided below during the applicable periods listed below:

- (a) For the period from December 1, 2027 to and including November 30, 2028, the Base Rent for the Premises shall be \$41,758.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (b) For the period from December 1, 2028 to and including November 30, 2029, the Base Rent for the Premises shall be \$43,011.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (c) For the period from December 1, 2029 to and including November 30, 2030, the Base Rent for the Premises shall be \$44,301.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (d) For the period from December 1, 2030 to and including November 30, 2031, the Base Rent for the Premises shall be \$45,630.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended.

Initials MK / ML

4. **NO ABATEMENT OF RENT.** Paragraph 3 of the First Amendment relating to prior Base Rent abatement is deleted in its entirety. There shall be no abatement of Base Rent under this Third Amendment.

5. **OPTION TO EXTEND TERM:** Lessee is granted one option to extend the lease for a period of five (5) years commencing immediately after the expiration of the current lease term. It shall be the obligation of Lessee to notify Lessor of its intention to exercise its option to renew within the period between 270 days and 360 days prior to the day that the current lease term expires. The notification of the intent to exercise its option shall be sent by Lessee in writing by U.S. mail certified, overnight courier delivery or registered with return receipt requested.

The commencement rent for the first month of the option period shall be equal to comparable market rent for a similar building located within a ten-mile radius of the lease property giving consideration to all concessions, tenant improvement allowance and rental abatement for a non-renewal and non-sublease space. In analyzing the comparable building properties, the parties may take into account all factors including ceiling height, parking ratio, loading docks, loading doors and height/size of those doors, HV AC, office build out, electrical power and distribution, skylights, yard space, the general location and the view from inside the Building.

Upon receipt within the time period spelled out above and the Lessee's exercise of its option to extend said lease both parties will meet and confer in an attempt to arrive at the beginning rent during the option period. If the parties are not able to agree on the option period rent, each party shall designate a licensed real estate broker who has dealt with industrial property in the Simi Valley for not less than five (5) years from the date of his appointment (who shall not have be a current or former employee of either party), and is at that time employed by an established real estate brokerage firm. If both brokers are unable to agree on the reasonable commencement rent for the option period, then both brokers will attempt to designate a third broker with qualifications at least as stringent as those required of the original brokers. Said third broker shall be given all of the material used by the original brokers to base their reasonable market value, and said broker shall make his own investigation. The third broker then shall select the opinion of one broker as the most correct value, and the value selected by said third broker shall be binding upon the parties.

If two original brokers cannot agree on a third broker, or if the third broker is unacceptable to the parties as defined herein, then either party may request that the presiding judge of the Superior Court of the County of Ventura select a commercial real estate broker from the list usually kept by said presiding judge, and said appointed brokers opinion shall be absolutely binding on all parties.

Any outside broker representing Lessee will receive a commission in an amount to be negotiated for the option term, payable by Lessor.

If Lessee is in monetary default on the date of giving the option notice or at any time prior to the commencement of the renewal term, the option notice shall be totally ineffective and this Lease shall expire at the end of the current term.

Notwithstanding the foregoing, the new Market Rent Value shall not be less than the rent payable for the month immediately preceding the rent adjustment.

6. **BROKER'S FEE.** Except as previously paid by either Lessor or Lessee, Lessor agrees to pay to CBRE, Inc., (the "Broker") any broker's fee due to the Broker as a result of the terms of this Third Amendment.

7. **WARRANTIES AND REPRESENTATIONS.** Lessee warrants and represents to Lessor that: (a) there are no present and outstanding breaches of the Lease by Lessor and (b) Lessee currently has no claims or offsets of any kind or nature against Lessor.

Initials MK / ML

8. **LEASE CONTINUES IN FULL FORCE AND EFFECT.** Except as set forth in this Third Amendment, the Lease remains unmodified and continues in full force and effect in accordance with its terms.

9. **SUCCESES AND ASSIGNS.** This Third Amendment shall be binding on Lessor's and Lessee's respective successors and assigns.

10. **COUNTERPARTS.** This Third Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Lessor and Lessee hereby execute this Third Amendment as of the date and year first written above.

Dated this ____ day of _____, 2024.

"LESSOR"

HILLSIDE ASSOCIATES II, LLC
A California Limited Liability Company
MID VALLEY PROPERTIES,
Managing Agent

By _____
Margaret Kestly, Authorized Agent

"LESSEE"

AEROVIRONMENT, INC.
A Delaware Corporation

By _____

Initials MK / ML

SECOND AMENDMENT TO LEASE AGREEMENT
(996 Innovators Way, Simi Valley, CA 93065)

THIS SECOND AMENDMENT TO LEASE AGREEMENT (this "Second Amendment") dated for reference as of August 6, 2024, is entered into by and between **HILLSIDE ASSOCIATES II, LLC**, a California limited liability company, as Lessor, and **AEROVIRONMENT, INC.**, a Delaware corporation, as Lessee, with reference to the following:

Recitals

A. Lessor and Lessee have entered into that certain AIR Commercial Real Estate Association Standard Industrial/Commercial Lease - Net, dated December 12, 2013, for the premises formerly known as 996 Flower Glen Street, Simi Valley, CA 93065 and now commonly known as 996 Innovators Way, Simi Valley, CA 93065, more particularly described therein (collectively, the "Lease"). Each initially capitalized term not defined in this Second Amendment shall have the meaning ascribed to such term in the Lease. Each sectional reference below shall mean and refer to the corresponding section of the Lease.

B. Lessor and Lessee desire and intend to amend the Lease on the terms and conditions set forth hereinbelow.

NOW, THEREFORE, in consideration of the terms and provisions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby amends the Lease as follows:

1. **TERM.** The term of the Lease is hereby extended for a period of FOUR (4) years, commencing on December 1, 2027 and terminating on November 30, 2031 (the "Termination Date").

2. **BASE RENT:** The Base Rent for the Premises shall be increased to the amounts provided below during the applicable periods listed below:

- (a) For the period from December 1, 2027 to and including November 30, 2028, the Base Rent for the Premises shall be \$39,137.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (b) For the period from December 1, 2028 to and including November 30, 2029, the Base Rent for the Premises shall be \$40,311.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (c) For the period from December 1, 2029 to and including November 30, 2030, the Base Rent for the Premises shall be \$41,521.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended;
- (d) For the period from December 1, 2030 to and including November 30, 2031, the Base Rent for the Premises shall be \$42,767.00 per month, together with such other assessments, additions and pass-throughs as are set forth in the Lease, as amended.

4. **NO ABATEMENT OF RENT.** Addendum (entitled "Base Rent Patial Abatement") of that certain December 12, 2013 lease relating to prior Base Rent partial abatement is deleted in its entirety. There shall be no abatement of Base Rent under this Second Amendment.

Initials MK / ML

5. **OPTION TO EXTEND TERM:** Lessee is granted one option to extend the lease for a period of five (5) years commencing immediately after the expiration of the current lease term. It shall be the obligation of Lessee to notify Lessor of its intention to exercise its option to renew within the period between 270 days and 360 days prior to the day that the current lease term expires. The notification of the intent to exercise its option shall be sent by Lessee in writing by U.S. mail certified, overnight courier delivery or registered with return receipt requested.

The commencement rent for the first month of the option period shall be equal to comparable market rent for a similar building located within a ten-mile radius of the lease property giving consideration to all concessions, tenant improvement allowance and rental abatement for a non-renewal and non-sublease space. In analyzing the comparable building properties, the parties may take into account all factors including ceiling height, parking ratio, loading docks, loading doors and height/size of those doors, HV AC, office build out, electrical power and distribution, skylights, yard space, the general location and the view from inside the Building.

Upon receipt within the time period spelled out above and the Lessee's exercise of its option to extend said lease both parties will meet and confer in an attempt to arrive at the beginning rent during the option period. If the parties are not able to agree on the option period rent, each party shall designate a licensed real estate broker who has dealt with industrial property in the Simi Valley for not less than five (5) years from the date of his appointment (who shall not be a current or former employee of either party), and is at that time employed by an established real estate brokerage firm. If both brokers are unable to agree on the reasonable commencement rent for the option period, then both brokers will attempt to designate a third broker with qualifications at least as stringent as those required of the original brokers. Said third broker shall be given all of the material used by the original brokers to base their reasonable market value, and said broker shall make his own investigation. The third broker then shall select the opinion of one broker as the most correct value, and the value selected by said third broker shall be binding upon the parties.

If two original brokers cannot agree on a third broker, or if the third broker is unacceptable to the parties as defined herein, then either party may request that the presiding judge of the Superior Court of the County of Ventura select a commercial real estate broker from the list usually kept by said presiding judge, and said appointed brokers opinion shall be absolutely binding on all parties.

Any outside broker representing Lessee will receive a commission in an amount to be negotiated for the option term, payable by Lessor.

If Lessee is in monetary default on the date of giving the option notice or at any time prior to the commencement of the renewal term, the option notice shall be totally ineffective and this Lease shall expire at the end of the current term.

Notwithstanding the foregoing, the new Market Rent Value shall not be less than the rent payable for the month immediately preceding the rent adjustment.

6. **BROKER'S FEE.** Except as previously paid by either Lessor or Lessee, Lessor agrees to pay to CBRE, Inc., (the "Broker") any broker's fee due to the Broker as a result of the terms of this Second Amendment.

7. **WARRANTIES AND REPRESENTATIONS.** Lessee warrants and represents to Lessor that: (a) there are no present and outstanding breaches of the Lease by Lessor and (b) Lessee currently has no claims or offsets of any kind or nature against Lessor.

8. **LEASE CONTINUES IN FULL FORCE AND EFFECT.** Except as set forth in this Second Amendment, the Lease remains unmodified and continues in full force and effect in accordance with its terms.

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9. **SUCCESES AND ASSIGNS.** This Second Amendment shall be binding on Lessor's and Lessee's respective successors and assigns.

10. **COUNTERPARTS.** This Second Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Lessor and Lessee hereby execute this Second Amendment as of the date and year first written above.

Dated this ____ day of _____, 2024.

"LESSOR"

HILLSIDE ASSOCIATES II, LLC
A California Limited Liability Company
MID VALLEY PROPERTIES
Managing Agent

By _____
Margaret Kestly, Authorized Agent

"LESSEE"

AEROVIRONMENT, INC.
A Delaware Corporation

By _____

Initials MK / ML

**AEROVIRONMENT, INC.
EXECUTIVE SEVERANCE PLAN**



PROCEED
WITH
CERTAINTY

Amended and Restated Effective December 3, 2024

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TABLE OF CONTENTS

	<u>Page</u>
<u>I. INTRODUCTION</u>	1
<u>II. ELIGIBILITY</u>	1
<u>A. Eligibility Criteria</u>	1
<u>B. Requirements for Receiving Plan Benefits</u>	1
<u>C. Glossary of Certain Important Plan Terms</u>	2
<u>III. PLAN BENEFITS FOR QUALIFYING TERMINATIONS</u>	7
<u>A. Termination due to death or Disability</u>	7
<u>B. Termination by the Company without Cause – no Change in Control</u>	7
<u>C. Termination by the Company without Cause or by you for Good Reason – Change in Control within 3 months after Termination</u>	8
<u>D. Termination by the Company without Cause or by you for Good Reason within 18 months after a Change in Control</u>	9
<u>IV. SUMMARY TABLE OF PLAN BENEFITS</u>	9
<u>V. OTHER CONSIDERATIONS</u>	12
<u>A. Other Plans</u>	12
<u>B. Reemployment and Repayment</u>	13
<u>C. Tax Information</u>	13
<u>D. Section 280G</u>	13
<u>E. Section 409A</u>	14
<u>F. Employment Issues</u>	14
<u>G. Assignment; Non-transferability; Successors</u>	15
<u>H. Governing Law</u>	15
<u>I. No Duty to Mitigate</u>	15
<u>J. Complete Statement of Plan</u>	15
<u>K. No Third-Party Beneficiaries</u>	15
<u>L. Notices</u>	15
<u>APPENDIX A</u>	A-1
<u>Inquiries and Claims</u>	A-1
<u>Situations That Can Affect Your Plan Benefits</u>	A-1
<u>Other Important Information about the Plan</u>	A-2
<u>Changes to the Plan</u>	A-2
<u>Administrator and Administration</u>	A-2
<u>Claim Review Process for Plan Benefits</u>	A-3
<u>Final Dispute Resolution</u>	A-5
<u>Discretionary Authority</u>	A-6
<u>Exhibit A</u> — List of Key Employees	
<u>Exhibit B</u> — Release of All Claims and Potential Claims & Code of Business Conduct and Ethics Disclosure Statement	

I. INTRODUCTION

The purpose of the AeroVironment, Inc. Executive Severance Plan (as amended, the “*Plan*”) is to provide severance protection to eligible employees of AeroVironment, Inc. (the “*Company*”) and its participating affiliates. The Plan provides for severance payments and other benefits (collectively “*Plan Benefits*”) to eligible employees who have a Qualifying Termination (defined below) and who meet all of the other conditions of the Plan.

This document constitutes the plan document under the Employee Retirement Income Security Act of 1974, as amended (“*ERISA*”), for the Plan as amended and restated effective December 3, 2024 (the “*Effective Date*”). It describes the eligibility criteria and Plan Benefits available to eligible employees.

You must read each provision of this document as a part of the whole summary. A single statement, read out of context, may be misleading. The Plan provides benefits to a select group of management or highly compensated employees of the Company and therefore fits within the “top hat” plan exception to many of the requirements of ERISA.

II. ELIGIBILITY

A. Eligibility Criteria

You are an eligible employee for purposes of the Plan only if you are the Chief Executive Officer of the Company (the “*CEO*”) or if the Company designates you as a “*Key Employee*” under the Plan. Upon designation as a Key Employee, the Company shall also designate you as either a Tier 1 Key Employee or a Tier 2 Key Employee. The CEO shall be a Tier 1 Key Employee. The Company may designate Key Employees and assign a Key Employee to a tier in such circumstances as the Company determines make the provision of Plan Benefits appropriate. The determination of Key Employees will be made consistent with the requirement that the Plan be a top hat plan for purposes of ERISA. The list of Key Employees under the Plan as of the Effective Date is attached as **Exhibit A** hereto, which exhibit shall be updated from time to time to reflect the designation of additional Key Employees. You will not be an eligible employee if you are not the CEO or designated as a Key Employee by the Company.

If you are the CEO, you are entitled to participate in the Plan for as long as you are the CEO and the Plan is maintained by the Company. If the Company designates you as a Key Employee, you are entitled to participate in the Plan for as long as the Plan is maintained by the Company, unless you agree to a material adverse change in your authority, duties, or responsibilities (including reporting responsibilities) from your authority, duties, and responsibilities as in effect when you were first designated a Key Employee.

B. Requirements for Receiving Plan Benefits

If you are a Key Employee, you will be eligible to receive Plan Benefits only if each of the following applies to you:

- you have a Qualifying Termination;

- you timely sign and do not revoke a waiver and release of claims against the Company and its affiliates and other related parties that becomes effective and irrevocable within the time frame set forth in Section III below (a “**Full Release**”);
- you continue to comply with the terms of the Full Release and the Company’s standard form of confidential information and inventions assignment agreement and/or other agreements regarding non-competition, non-solicitation, non-disparagement, confidentiality, assignment of inventions or other similar covenants between such Eligible Employee and the Company (the “**Restrictive Covenants**”), including all post-termination obligations contained therein. In addition to all other rights and remedies available to the Company under law or in equity, the Company shall be entitled to withhold all Plan Benefits payable under this Plan in the event of your breach of the Full Release or the Restrictive Covenants; and
- you meet all other requirements of the Plan.

C. Glossary of Certain Important Plan Terms

Under the Plan, the following terms have the following meanings:

“**Base Salary Amount**” means the greater of your annual base salary (a) at the rate in effect on your Termination Date or (b) if your termination occurs within 18 months following a Change in Control, at the highest rate in effect at any time during the 180-day period prior to a Change in Control. Base Salary Amount includes all amounts of your base salary that are deferred under any qualified or non-qualified employee benefit plan of the Company or any other agreement or arrangement.

“**Beneficial Owner**” has the meaning as used in Rule 13d-3 promulgated under the Exchange Act. The terms “Beneficially Owned” and “Beneficial Ownership” each has a correlative meaning.

“**Board**” means the Board of Directors of the Company.

“**Bonus Amount**” means the annual target bonus established under any annual bonus or incentive plan maintained by the Company in respect of the fiscal year in which your termination occurs (or your annual target bonus in respect of the most recently completed fiscal year if your termination occurs prior to the establishment of an annual target bonus for the fiscal year in which your termination occurs). Bonus Amount includes only the short-term cash incentive portion of the annual bonus and does not include equity awards or other long-term incentive compensation awarded to you.

“**Cause**” will be defined as that term is defined in your offer letter or other applicable employment agreement. If there is no such definition, “**Cause**” means, as determined by the Company in its sole discretion:

- (a) being convicted for committing an act of fraud, embezzlement, theft, or other act constituting a felony (other than traffic related offenses or as a result of vicarious liability);

(b) willfully engaging in illegal conduct or gross misconduct that would (i) adversely affect the business or the reputation of the Company or any of its affiliates with their respective current or prospective customers, suppliers, lenders, or other third parties with whom such entity does or might do business or (ii) expose the Company or any of its affiliates to a risk of civil or criminal legal damages, liabilities, or penalties; however, no act or failure to act on your part will be considered “willful” unless done or omitted to be done by you not in good faith and without reasonable belief that your action or omission was in the best interest of the Company; or

(c) failing to perform your duties in a reasonably satisfactory manner that, to the extent capable of cure, has remained uncured for a period of 30 days following receipt of a Notice of Termination from the Company, or upon its recurrence.

A termination for Cause includes a termination following which the Company determines that circumstances existing prior to your termination or during the payment of Plan Benefits would have entitled the Company or an affiliate to have terminated you for Cause. All rights you may have under the Plan will be suspended automatically during the pendency of any investigation by the Company or during any negotiations between the Company and you concerning any actual or alleged act or omission by you of the type described in the applicable definition of Cause.

“**Change in Control**” of the Company means, and will be deemed to have occurred upon, any of the following events:

(a) The acquisition by any Person of Beneficial Ownership of 30% or more of the outstanding voting power; provided, however, that the following acquisitions will not constitute a Change in Control for purposes of this subparagraph (a): (i) any acquisition directly from the Company; (ii) any acquisition by the Company or any of its Subsidiaries; (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any of its Subsidiaries; or (iv) any acquisition by any Person pursuant to a transaction which complies with clauses (i), (ii), and (iii) of subparagraph (c) below; or

(b) Individuals who at the beginning of any two-year period constitute the Board (the “**Incumbent Board**”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual who becomes a director of the Company during such two-year period and whose election or whose nomination for election by the Company’s stockholders, to the Board was either (i) approved by a vote of at least a majority of the directors then comprising the Incumbent Board or (ii) recommended by a nominating committee comprised entirely of directors who are then Incumbent Board members will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act), other actual or threatened solicitation of proxies or consents, or an actual or threatened tender offer; or

(c) Consummation of a reorganization, merger, or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a “**Business Combination**”), in each case unless following such Business Combination, (i) all or substantially all of the Persons who were the Beneficial Owners, respectively, of the outstanding shares and outstanding voting securities immediately prior to such Business Combination own, directly or indirectly, more than

50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the Company, as the case may be, of the entity resulting from the Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the outstanding voting securities (provided, however, that for purposes of this clause (i) any shares of common stock or voting securities of such resulting entity received by such Beneficial Owners in such Business Combination other than as the result of such Beneficial Owners' ownership of outstanding shares or outstanding voting securities immediately prior to such Business Combination will not be considered to be owned by such Beneficial Owners for the purposes of calculating their percentage of ownership of the outstanding common stock and voting power of the resulting entity); (ii) no Person (excluding any entity resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such entity resulting from the Business Combination) beneficially owns, directly or indirectly, 30% or more of the combined voting power of the then outstanding voting securities of such entity resulting from the Business Combination unless such Person owned 30% or more of the outstanding shares or outstanding voting securities immediately prior to the Business Combination; and (iii) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Board at the time of the execution of the initial agreement or the action of the Board providing for such Business Combination; or

(d) Approval by the Company's stockholders of a complete liquidation or dissolution of the Company.

For purposes of clause (c), any Person who acquires outstanding voting securities of the entity resulting from the Business Combination by virtue of ownership, prior to such Business Combination, of outstanding voting securities of both the Company and the entity or entities with which the Company is combined shall be treated as two Persons after the Business Combination, who shall be treated as owning outstanding voting securities of the entity resulting from the Business Combination by virtue of ownership, prior to such Business Combination of, respectively, outstanding voting securities of the Company, and of the entity or entities with which the Company is combined.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any amount hereunder that provides for the deferral of compensation that is subject to Section 409A, to the extent required to avoid the imposition of additional taxes under Section 409A, the transaction or event shall only constitute a Change in Control for purposes of the payment timing of such amount if such transaction also constitutes a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5).

The Board shall have full and final authority, which shall be exercised in its discretion, to determine conclusively whether a Change in Control of the Company has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto.

“**Continuation Period**” means (a) if you are a Tier 1 Key Employee, a period of 12 months following the Termination Date, and (b) if you are a Tier 2 Key Employee, a period of 12 months following the Termination Date.

“**Continuation Period Benefits**” means the Company’s provision (at its expense) to you and your dependents and beneficiaries of the same or equivalent life insurance, disability, medical, dental, and hospitalization benefits provided to other similarly situated executives who continue in the employ of the Company during the Continuation Period, subject to the terms and conditions and limitations of the Company (or affiliate) plan under which such benefits are provided. If the Company cannot provide the foregoing benefits in a manner that is compliant with applicable law or the terms of the applicable plan, instead of providing the benefits as set forth above, the Company shall instead pay you the monthly premium amount for such benefits (determined by reference to the premiums in effect immediately prior to the Termination Date) as a taxable monthly payment for the Continuation Period (or any remaining portion thereof). The Company may reduce its provision of any benefits if you become eligible to obtain such benefits pursuant to a subsequent employer’s benefit plans, as long as the coverage and benefits of the combined benefit plans are no less favorable to you than the coverage and benefits required to be provided hereunder.

“**Disability**” will be defined as that term is defined in your offer letter or other applicable employment agreement. If there is no such definition, “**Disability**” means an incapacity that has resulted in your qualification to receive long-term disability benefits under the Company’s long term disability plan or, if you are not covered by the Company’s long term disability plan, incapacity that results in a determination by the Social Security Administration that you are entitled to a Social Security disability benefit.

“**Equity Award**” means each outstanding and unvested equity award held by a Key Employee granted pursuant to an equity plan, including, without limitation, each restricted stock, stock option, restricted stock unit, performance stock unit or other equity award.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

“**Good Reason**” will be defined as that term is defined in your offer letter or other applicable employment agreement. If there is no such definition, “**Good Reason**” means the occurrence of any of the following events without your written consent:

(a) (i) Any material adverse change in your authority, duties, or responsibilities (including reporting responsibilities) from your authority, duties, and responsibilities as in effect at any time within three months preceding the date of the Change in Control or at any time thereafter, or (ii) (A) if you are an executive officer of the Company a significant portion of whose responsibilities relate to the Company’s status as a public company, your failure to continue to serve as an executive officer of a public company and/or (B) your ceasing to serve as an executive officer of the ultimate parent entity of the Company (or its successor), in each case except in connection with the termination of your employment for Disability, for Cause, as a result of your death, or by you other than for Good Reason; or

(b) A material reduction in your base salary or target annual bonus opportunity; or

(c) The imposition of a requirement that you be based at any place outside a 60-mile radius from your principal place of employment immediately prior to the Change in Control except for reasonably required travel on Company business that is not materially greater in frequency or duration than prior to the Change in Control; or

(d) Any material breach by the Company of the Plan with respect to you or of any employment agreement with you.

In order to terminate for Good Reason, you must (a) reasonably determine in good faith that a Good Reason condition has occurred; (b) notify the Company in writing of the occurrence of the condition within 90 days; (c) cooperate in good faith with the Company's efforts, for a period of not less than 30 days following such written notice, to remedy the condition (after which time the condition still exists); and (d) terminate employment within 60 days after that remedy period.

"Notice of Termination" means a written notice from you or the Company of the termination of your employment, which indicates the specific termination provision in the Plan relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.

"Person" has the meaning as defined in Section 3(a)(9) of the Exchange Act and used in Section 13(d) or 14(d) of the Exchange Act, and will include any "group" as such term is used in such sections.

"Prior Period Bonus" means, with respect to any Key Employee, the Key Employee's earned but unpaid annual bonus, if any, for the Company's fiscal year ending immediately prior to the fiscal year in which the Termination Date occurs. For clarity, if the Termination Date occurs on or after the date on which the Company pays annual bonuses for the fiscal year ending immediately prior to the fiscal year in which the Termination Date occurs, then there shall be no Prior Period Bonus.

"Pro Rata Bonus" means an amount equal to the Bonus Amount multiplied by a fraction, the numerator of which is the number of days elapsed in the then-current fiscal year through and including the Termination Date and the denominator of which is 365.

"Subsidiary" means any corporation with respect to which another specified corporation has the power under ordinary circumstances to vote or direct the voting of sufficient securities to elect a majority of the directors.

"Termination Date" means (a) in the case of your death, your date of death, (b) in the case of the termination of your employment by you for Good Reason, the date of your termination after the Company's cure period, and (c) in all other cases, the date specified in the Notice of Termination, provided that if your employment is terminated by the Company for Cause based on a failure to perform your duties in a way that is capable of cure or due to Disability, the date specified in the Notice of Termination will be at least 30 days after the date the Notice of Termination is given to you. Anything in this Plan to the contrary notwithstanding, a transfer of employment from the Company to an affiliate or vice versa shall not be considered a termination of employment for purposes of this Plan.

“*Tier 1 Key Employee*” means the CEO.

“*Tier 2 Key Employee*” means any Key Employee designated by the Administrator to be a Tier 2 Key Employee.

III. PLAN BENEFITS FOR QUALIFYING TERMINATIONS

If you are a Key Employee for purposes of the Plan and you incur one of the following “*Qualifying Terminations*,” you must satisfy the following additional requirement before becoming eligible to receive the Plan Benefits specified below: you must provide the Company with a Full Release in a form satisfactory to the Company and similar to the agreement set forth in **Exhibit B** (with such changes as may be reasonably required to such form to help ensure its enforceability in light of any changes in applicable law) pursuant to which you fully and completely release the Company from all claims that you may have against the Company (other than any claims that may arise or have arisen under the Plan or that cannot be released under applicable law). The Full Release must become effective in accordance with its terms prior to the date that is 30 days (or such longer period to the extent required by applicable law, but in no event more than 60 days) following the Termination Date (including the expiration of any revocation period thereunder without your revocation of the Full Release).

A. Termination due to death or Disability

A termination of your employment due to your death or Disability while you are eligible for benefits under the Plan constitutes a “Qualifying Termination.” Upon a Qualifying Termination due to death or Disability, you will become eligible for the following payments and benefits:

(a) If you are a Tier 1 Key Employee, you will be entitled to receive: (1) a Pro Rata Bonus, (2) your Prior Period Bonus, (3) 1.5 times the sum of your Base Salary Amount and your Bonus Amount, and (4) Continuation Period Benefits; or

(b) If you are a Tier 2 Key Employee, you will be entitled to receive: (1) a Pro Rata Bonus, (2) your Prior Period Bonus, (3) 1.0 times the sum of your Base Salary Amount and your Bonus Amount, and (4) Continuation Period Benefits.

Your Pro Rata Bonus, Base Salary Amount and Bonus Amount will be paid in a single lump sum cash payment 30 days after the Termination Date. Your Prior Period Bonus will be paid when annual bonuses are paid to the Company’s employees generally, but in all events within 75 days following the last day of the fiscal year to which such Prior Period Bonus relates.

B. Termination by the Company without Cause – no Change in Control

A termination of your employment by the Company without Cause while you are eligible for benefits under the Plan, where a Change in Control has not occurred within 18 months before or 3 months after your termination, constitutes a “Qualifying Termination.” If you are so terminated by the Company, you will become eligible for the following payment and benefits:

(a) If you are a Tier 1 Key Employee, you will be entitled to receive: (1) a Pro Rata Bonus, (2) your Prior Period Bonus, (3) 1.5 times the sum of your Base Salary Amount and your

Bonus Amount, and (4) Continuation Period Benefits; or

(b) If you are a Tier 2 Key Employee, you will be entitled to receive: (1) a Pro Rata Bonus, (2) your Prior Period Bonus, (3) 1.0 times the sum of your Base Salary Amount and your Bonus Amount, and (4) Continuation Period Benefits.

Your Pro Rata Bonus, Base Salary Amount and Bonus Amount will be paid in a single lump sum cash payment 30 days after the Termination Date. Your Prior Period Bonus will be paid when annual bonuses are paid to the Company's employees generally, but in all events within 75 days following the last day of the fiscal year to which such Prior Period Bonus relates.

C. Termination by the Company without Cause or by you for Good Reason – Change in Control within 3 months after Termination

A termination of your employment by the Company without Cause or by you for Good Reason within three months before a Change in Control, while you are eligible for benefits under the Plan, constitutes a "Qualifying Termination." If your employment is terminated by the Company without Cause or by you for Good Reason within three months before a Change in Control, you will become eligible for the following payments and benefits:

(a) If you are a Tier 1 Key Employee, you will be entitled to receive: (1) a Pro Rata Bonus, (2) your Prior Period Bonus, (3) 2.5 times the sum of your Base Salary Amount and your Bonus Amount, (4) immediate vesting of your outstanding time-vesting Equity Awards, (5) Continuation Period Benefits, and (6) unless you have already accepted an offer of employment, outplacement services suitable to your position until the end of the Continuation Period (or, if earlier, when you accept an offer of employment); or

(b) If you are a Tier 2 Key Employee, you will be entitled to receive: (1) a Pro Rata Bonus, (2) your Prior Period Bonus, (3) 1.5 times the sum of your Base Salary Amount and your Bonus Amount, (4) immediate vesting of your outstanding time-vesting Equity Awards, (5) Continuation Period Benefits, and (6) unless you have already accepted an offer of employment, outplacement services suitable to your position until the end of the Continuation Period (or, if earlier, when you accept an offer of employment).

If you have already received (or are due) any Plan Benefits under **Section III.B** above (for a termination by the Company without Cause absent a Change in Control), the Plan Benefits for which you are eligible under this **Section III.C** will be reduced accordingly and you will only be eligible for any Plan Benefits over and above paid Plan Benefits.

Your Pro Rata Bonus, Base Salary Amount, and Bonus Amount (after reducing the amounts by any amounts paid under **Section III.B**) will be paid in a single lump sum cash payment 30 days after the Change in Control. Your Prior Period Bonus will be paid when annual bonuses are paid to the Company's employees generally, but in all events within 75 days following the last day of the fiscal year to which such Prior Period Bonus relates. The vesting of any Equity Awards pursuant to this Section III.C will occur effective upon the Change in Control (or, if later, the effective date of the Release).

D. Termination by the Company without Cause or by you for Good Reason within 18 months after a Change in Control

A termination of your employment by the Company without Cause or by you for Good Reason within 18 months after a Change in Control, while you are eligible for benefits under the Plan, constitutes a “Qualifying Termination.” If you are terminated by the Company without Cause or you terminate your employment with the Company for Good Reason within 18 months after a Change in Control, you will become eligible for the following payments and benefits:

(a) If you are a Tier 1 Key Employee, you will be entitled to receive: (1) a Pro Rata Bonus, (2) your Prior Period Bonus, (3) 2.5 times the sum of your Base Salary Amount and your Bonus Amount, (4) immediate vesting of your outstanding time-vesting Equity Awards, (5) vesting of any performance-based Equity Awards as provided in the applicable Equity Award agreement, (6) Continuation Period Benefits, and (7) outplacement services suitable to your position until the end of the Continuation Period (or, if earlier, when you accept an offer of employment); or

(b) If you are a Tier 2 Key Employee, you will be entitled to receive: (1) a Pro Rata Bonus, (2) your Prior Period Bonus, (3) 1.5 times the sum of your Base Salary Amount and your Bonus Amount, (4) immediate vesting of your outstanding time-vesting Equity Awards, (5) vesting of any performance-based Equity Awards as provided in the applicable Equity Award agreement, (6) Continuation Period Benefits, and (7) outplacement services suitable to your position until the end of the Continuation Period (or, if earlier, when you accept an offer of employment).

Your Pro Rata Bonus, Base Salary Amount, and Bonus Amount will be paid in a single lump sum cash payment 30 days after the Termination Date. Your Prior Period Bonus will be paid when annual bonuses are paid to the Company’s employees generally, but in all events within 75 days following the last day of the fiscal year to which such Prior Period Bonus relates.

IV. SUMMARY TABLE OF PLAN BENEFITS

Below is a table summarizing the severance benefits discussed above for Qualifying Terminations. If there is any conflict between the terms above and the table below, the terms above will control.

	Termination by Company without Cause	Termination by you for Good Reason	Termination for death or Disability
No Change in Control	<u>Tier 1 Key Employee:</u> <u>Cash</u> <ul style="list-style-type: none"> ● Pro Rata Bonus ● Prior Period Bonus 	<i>(Not a Qualifying Termination)</i>	<u>Tier 1 Key Employee:</u> <u>Cash</u> <ul style="list-style-type: none"> ● Pro Rata Bonus ● Prior Period Bonus ● <u>1.5x Base Salary Amount</u>

+ Bonus Amount

Equity

- No special treatment

Other

- Continuation Period Benefits

Tier 2 Key Employees:

Cash

- Pro Rata Bonus
- Prior Period Bonus
- 1x Base Salary Amount + Bonus Amount

Equity

- No special treatment

Other

	<ul style="list-style-type: none"> ● 1.5x Base Salary Amount + Bonus Amount <p><u>Equity</u></p> <ul style="list-style-type: none"> ● No special treatment <p><u>Other</u></p> <ul style="list-style-type: none"> ● Continuation Period Benefits 		<ul style="list-style-type: none"> ● Continuation Period Benefits
	<p><u>Tier 2 Key Employees:</u></p> <p><u>Cash</u></p> <ul style="list-style-type: none"> ● Pro Rata Bonus ● Prior Period Bonus ● 1x Base Salary Amount + Bonus Amount <p><u>Equity</u></p> <ul style="list-style-type: none"> ● No special treatment <p><u>Other</u></p> <ul style="list-style-type: none"> ● Continuation Period Benefits 		
<p>Change in Control within 3 months after termination</p>	<p><u>Tier 1 Key Employees:</u></p> <p><u>Cash</u></p> <ul style="list-style-type: none"> ● Pro Rata Bonus ● Prior Period Bonus ● 2.5x Base Salary Amount + Bonus Amount <p><u>Equity</u></p> <ul style="list-style-type: none"> ● Time-based Equity Awards accelerate <p><u>Other</u></p> <ul style="list-style-type: none"> ● Continuation Period Benefits ● Outplacement services <p><i>These Plan Benefits will be reduced by any Plan Benefits already due or received.</i></p>		

	<p><u>Tier 2 Key Employees:</u></p> <p><u>Cash</u></p> <ul style="list-style-type: none"> ● Pro Rata Bonus ● Prior Period Bonus ● 1.5x Base Salary Amount + Bonus Amount <p><u>Equity</u></p> <ul style="list-style-type: none"> ● Time-based Equity Awards accelerate <p><u>Other</u></p> <ul style="list-style-type: none"> ● Continuation Period Benefits ● Outplacement services <p><i>These Plan Benefits will be reduced by any Plan Benefits already due or received.</i></p>	
<p>Termination within 18 months after Change in Control</p>	<p><u>Tier 1 Key Employee:</u></p> <p><u>Cash</u></p> <ul style="list-style-type: none"> ● Pro Rata Bonus ● Prior Period Bonus ● 2.5x Base Salary Amount + Bonus Amount <p><u>Equity</u></p> <ul style="list-style-type: none"> ● Time-based Equity Awards accelerate ● Performance-based Equity Awards accelerate as provided in award agreements <p><u>Other</u></p> <ul style="list-style-type: none"> ● Continuation Period Benefits ● Outplacement services 	



	<p><u>Tier 2 Key Employees:</u></p> <p><u>Cash</u></p> <ul style="list-style-type: none"> ● Pro Rata Bonus ● Prior Period Bonus ● 1.5x Base Salary Amount + Bonus Amount <p><u>Equity</u></p> <ul style="list-style-type: none"> ● Time-based Equity Awards accelerate ● Performance-based Equity Awards accelerate as provided in award agreements <p><u>Other</u></p> <ul style="list-style-type: none"> ● Continuation Period Benefits ● Outplacement services 	
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In no event will a termination for Cause or a voluntary termination by you without Good Reason constitute a Qualifying Termination.

V. OTHER CONSIDERATIONS

A. Other Plans

Participation in the Plan does not enhance or reduce the amounts, if any, payable to you under any other benefit plan maintained by the Company or its affiliates. Notwithstanding the foregoing sentence, the Plan Benefits provided are intended to be and are exclusive and in lieu of any other severance and change in control benefits or payments to which a Key Employee may otherwise be entitled, either at law, tort, or contract, in equity, or under the Plan, in the event of any Qualifying Termination. In furtherance of the foregoing, a Key Employee shall not be entitled to any Plan Benefit under this Plan which duplicates a payment or benefit received or receivable by the Key Employee under any individual agreement with the Company, or any other plan, program or arrangement of the Company or any severance or pay in lieu of notice required by applicable law or regulation, **including, without limitation, the Worker Adjustment and Retraining Notification Act (“WARN”) or any similar state or local statute, rule or regulation.** If a Key Employee has a right to payments or benefits upon a Qualifying Termination that duplicate any Plan Benefit under this Plan, the Plan Benefits shall be reduced, dollar for dollar, by the amount of the duplicate payment(s) and benefit(s). Such reductions may be applied on a retroactive basis, with severance benefits previously paid being recharacterized as payments pursuant to a statutory obligation of the Company.

Except to the extent provided above, the Plan will not affect the terms of any outstanding Equity Awards, which will be determined in accordance with the terms and conditions of the Company equity compensation plan(s) under which they were granted and any applicable award agreements. Notwithstanding the foregoing, in the event the Equity Award agreement(s) or the

equity compensation plan(s) pursuant to which your Equity Awards were granted provide for more favorable treatment of Equity Awards upon a Change in Control or a Qualifying Termination, nothing in this Plan is intended to limit your right to such more favorable treatment as provided in such Equity Award agreement(s) or equity compensation plan(s).

B. Reemployment and Repayment

You do not have any right to reemployment or any preferential rights for rehire as a result of participation in the Plan.

C. Tax Information

Your Plan Benefits are taxable to you as ordinary income. This document is not intended to provide a complete description of the tax consequences of the Plan. You are urged to consult with your personal tax advisor before making any decisions. The Company will withhold from any severance such federal and state tax withholdings and other deductions reasonably determined to be required by law, such as those made in order to comply with any court or administratively ordered garnishments from certain Plan Benefits.

D. Section 280G

Notwithstanding anything contained in the Plan to the contrary, if it is determined that any payment by the Company or any other person or entity to you or for your benefit under the Plan or otherwise, in connection with, or arising out of, your service with the Company or its affiliate or a change in ownership or effective control of the Company or a substantial portion of its assets (a "**Payment**") is a "parachute payment" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "**Code**"), on account of the aggregate value of the Payments due to you being equal to or greater than three times the "base amount," as defined in Code Section 280G (the "**Parachute Threshold**"), so that you would be subject to the excise tax imposed by Code Section 4999, and the net after-tax benefit that you would receive by reducing the Payments to the Parachute Threshold is greater than the net after-tax benefit you would receive if the full amount of the Payments were paid to you, then the Payments payable to you will be reduced (but not below zero) so that the Payments due to you do not exceed the amount of the Parachute Threshold. The foregoing reductions shall be made in a manner that results in the maximum economic benefit to you on an after-tax basis and, to the extent economically equivalent payments or benefits are subject to reduction, in a pro rata manner; provided, further, that, notwithstanding the foregoing, any such reduction shall be undertaken in a manner that complies with and does not result in the imposition of additional taxes on you under Code Section 409A.

All determinations regarding the application of this Section V.D shall be made by a nationally recognized accounting firm or consulting group with experience in performing calculations regarding the applicability of Sections 4999 and 280G of the Code selected by the Company (the "**Independent Advisors**"). For purposes of determinations, no portion of the Payments shall be taken into account which, in the opinion of the Independent Advisors, (i) does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Code Section 280G(b)(4)(A)) or (ii) constitutes reasonable compensation for services actually rendered, within the meaning of Code Section 280G(b)(4)(B), in excess of

the “base amount” (as defined in Code Section 280G(b)(3)) allocable to such reasonable compensation. The costs of obtaining such determination and all related fees and expenses (including related fees and expenses incurred in any later audit) shall be borne by the Company.

E. Section 409A

The Plan is not intended to be a deferred compensation plan for purposes of Section 409A of the Code. The Plan will in all respects be interpreted, operated, and administered in accordance with this intent. Payments provided under the Plan will only be made in a manner that complies with or is exempt from Code Section 409A, including exemptions under the “short-term deferral” rule in Treasury Regulation § 1.409A-1(b)(4), and the “two-year, two-time” rule described in Treasury Regulation § 1.409A-1(b)(9). To the extent that any provision in this Agreement is ambiguous as to its compliance with or exemption from Code Section 409A, the provision shall be read in such a manner that no payments payable under this Plan shall be subject to an “additional tax” as defined in Section 409A(a)(1)(B) of the Code. For purposes of Code Section 409A, each installment payment under the Plan shall be treated as a separate payment. For purposes of the Plan, to the extent required to ensure the payments and benefits hereunder comply with, or are exempt from, Code Section 409A, all references to your “termination of employment” shall mean your “separation from service” (as defined in Code Section 409A). Notwithstanding any other term or condition of the Plan, if you are a “specified employee” (as determined by the Company in accordance with Treasury Regulation § 1.409A-1(i)) as of your date of termination, then all payments and benefits that are subject to the requirements of Code Section 409A (determined after taking into account the “short-term deferral” rule in Treasury Regulation § 1.409A-1(b)(4), the “two-year, two-time” rule described in Treasury Regulation § 1.409A-1(b)(9), and any other available exception from such requirements) that would otherwise be payable and benefits that would otherwise be provided under the Plan during the six-month period immediately after your “separation from service” (as defined in Code Section 409A) will instead be paid on the first payroll date after the six-month anniversary of your separation from service (or your death, if earlier). To the extent required by Section 409A of the Code, any reimbursement or in-kind benefit provided under this Plan shall be provided in accordance with the following: (i) the amount of expenses eligible for reimbursement, or in-kind benefits provided during each calendar year cannot affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year; (ii) any payments in lieu of the benefits shall be paid no later than the end of your taxable year next following your taxable year in which the benefit or expense was due to be paid; and (iii) any right to reimbursements or in-kind benefits under this Plan shall not be subject to liquidation or exchange for another benefit. Notwithstanding the foregoing, the Company has no obligation to take any action to prevent the assessment of any additional tax or penalty on you under Code Section 409A and the Company has any liability to you for such tax or penalty.

F. Employment Issues

The Plan does not constitute inducement or consideration for the employment of any employee, nor is it a contract between any employee and the Company or any of its affiliates. The Plan does not give any employee the right to continued employment. The Company and its affiliates have the right to hire and terminate any employee at any time, as if the Plan had never been established. The Plan does not provide eligible employees with any right not expressly

granted by its provisions, and does not provide any benefit without the execution of the Full Release.

G. Assignment; Non-transferability; Successors. No right of a Key Employee to any payment or benefit under this Plan shall be subject to assignment, anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Key Employee or of any beneficiary of the Key Employee. Any successor to the Company (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) or to all or substantially all of the Company's business and/or assets shall assume the obligations under this Plan and agree expressly to perform any of the Company's obligations under this Plan.

For all purposes under this Plan, the term "*Company*" shall include any successor to the Company's and/or Company's business and/or assets which becomes bound by the terms of the Plan by operation of law. All of a Key Employee's rights hereunder shall inure to the benefit of, and be enforceable by, his or her personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

H. Governing Law. This Plan is a welfare plan subject to ERISA and it shall be interpreted, administered, and enforced in accordance with that law. To the extent that state law is applicable, the validity, construction and effect of this Plan and any rules and regulations relating to this Plan shall be determined in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of laws. If any provision hereof shall be held by a court or arbitrator of competent jurisdiction to be invalid and unenforceable, the remaining provisions shall continue to be fully effective.

I. No Duty to Mitigate. No Key Employee shall be required to mitigate, by seeking employment or otherwise, the amount of any payment that the Company becomes obligated to make under this Plan, and, except as expressly provided in this Plan, amounts or other benefits to be paid or provided to a Key Employee pursuant to this Plan shall not be reduced by reason of the Key Employee's obtaining other employment or receiving similar payments or benefits from another employer.

J. Complete Statement of Plan. This Plan document (which incorporates the applicable Appendix(ces) by reference) contains a complete statement of the Plan's terms and supersedes all prior statements with respect to the Plan's terms. No other evidence, whether written or oral, shall be taken into account in interpreting the provisions of the Plan. In the event of a conflict between a provision in this Plan document and any booklet, brochure, presentation, or other communication (whether written or oral), the provision of this Plan document shall control.

K. No Third-Party Beneficiaries. This Plan shall not give any rights or remedies to any Person other than Key Employees hereunder (or their estates or beneficiaries, in the event of an eligible employee's death) and the Company.

L. Notices. Any notice required or permitted by this Plan shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be

sent to a Key Employee at the most recent address on the Company's personnel records and to the Company at its principal place of business, or such other address as either party may specify in writing.

APPENDIX A

This Appendix A includes important information and constitutes part of the Plan.

Inquiries and Claims

To file a claim relating to the Plan, follow the procedures described here.

Inquiries and questions about the Plan may be addressed to the Plan Administrator at the address provided below under the “*Plan Administration*” section. If you disagree with your benefits under the Plan, you must file a claim within 60 days of your Termination Date. Any legal action for benefits under the Plan must be brought within one year following a final decision on a claim brought in accordance with the Plan’s claims procedures under the “*Claim Review Process for Plan Benefits*” section below and must be brought in accordance with the “*Final Dispute Resolution*” section below.

Situations That Can Affect Your Plan Benefits

Some situations could cause a loss or delay of your Plan Benefits.

The Plan is designed to provide Plan Benefits to eligible employees. Some situations could affect Plan Benefits. These situations include the following:

- Eligibility for the Plan is limited to those eligible employees designated by the Company. You may be in a position such that you are not designated as eligible for the Plan. If you are not designated as an eligible employee, you will not be eligible for Plan Benefits.
- Eligibility for Plan Benefits is subject to strict deadlines. If you do not meet the deadlines, you will not be eligible for Plan Benefits.
- Eligibility for Plan Benefits is conditioned on your signing and not revoking a Full Release and separating from employment on a specified date in the manner determined by the Company. If you do not comply with these requirements, you will not be eligible for Plan Benefits.
- If you voluntarily separate from employment other than for Good Reason, you generally will not be eligible to receive Plan Benefits.
- If you are designated as an eligible employee under the Plan but are terminated for Cause, you will not be eligible to receive Plan Benefits.
- If you are designated as an eligible employee under the Plan but are removed from service and subsequently terminated for Cause, you will not be eligible to receive Plan Benefits.
- If you are selected for and accept a regular full-time position with the Company or its affiliates following your Qualifying Termination but prior to receiving all Plan Benefits, you will not be eligible to receive further Plan Benefits.

Other Important Information about the Plan

- Your Plan Benefits are paid from the general assets of the Company or its participating affiliates. The Plan is not funded and no contributions are made to the Plan. Benefits under the Plan are paid from the general assets of the Company and its participating affiliates.
- If you die before any Plan Benefits under the Plan are paid, such payment(s) may be paid to your estate upon execution of an effective waiver and release by your estate's representative.
- Any overpayments from the Plan may be recouped from future payments or by other means permitted by law.
- Nothing in the Plan is a commitment of continued employment. Your employment is at-will. The Company's and its affiliates' right to terminate or change the terms of your employment remains the same as if the Plan had not been adopted.
- Plan Benefits are paid only if the Plan Administrator determines that you are entitled to Plan Benefits.
- As a participant in the Plan, you have certain rights under ERISA. Information about your rights and other important information can be found in the "*Plan Administration*" section.
- If you disagree with your Plan Benefits, you must file a claim and provide any required information with the claim before Plan Benefits can be paid. See the "*Claim Review Process for Plan Benefits*" section for information on claim submissions and the review process.
- Any claim for Plan Benefits must be filed within 60 days of your Termination Date.
- Any legal action for benefits under the Plan must be brought within one year following the final decision on a claim brought in accordance with the Plan's claims procedures. See the "*Final Dispute Resolution*" section for information on the procedure for legal action.

Changes to the Plan; Termination

The Company may amend or terminate the Plan at any time, but no amendment or termination of the Plan may, without your consent, materially impair your rights under the Plan.

Administrator and Administration

The "*Plan Administrator*" for the Plan is the Company. The Plan Administrator has the responsibility and authority to control and manage the operation and administration of the Plan. The Plan Administrator may assign or delegate any of its authority or duties to others. The Plan Administrator's address and telephone number are:

Appendix A-2

AeroVironment, Inc.
c/o Corporate Secretary
241 18th Street South, Suite 650
Arlington, VA 22202
(805) 520-8350

The Plan Administrator and any delegate thereof, each within its area of authority and responsibility, have the power and discretion to construe and interpret the Plan and to make factual determinations. Plan Benefits are paid only if the Plan Administrator or its delegate decides in its sole discretion that the applicant is entitled to the Plan Benefits. All decisions of the Plan Administrator (including any delegate) under the Plan will be in its sole discretion and will be final and binding upon all persons.

Claim Review Process for Plan Benefits

The Plan has a claim review process that must be followed whenever you submit a claim for benefits under the Plan.

Initial Decision

When you file a claim to receive Plan Benefits, the Plan Administrator or its delegate reviews the claim and makes a decision to either approve or deny the claim (in whole or in part). If your claim is determined to be valid, you will receive benefits under the Plan as provided for in Section III of the Plan. If your claim is denied, in whole or in part, you will receive a written notice of the claim decision no later than 90 days after receipt of your claim. In some situations, the Plan Administrator may need an extension of time of up to 90 days to make a decision (for example, if it needs additional information). If the Plan Administrator needs an extension, it will notify you of the reason for the extension and the date by which a decision on the claim can be expected within the initial 90-day period following receipt of your claim.

If Your Claim Is Denied

If your claim is denied, in whole or in part (an “adverse determination”), you will receive a written notice that explains in a manner calculated to be understood by you:

- the specific reason(s) for the adverse determination;
- specific references to the Plan provisions on which the adverse determination is based;
- a description of any additional material or information needed from you and an explanation of why it is necessary; and
- appropriate information as to the steps to be taken if you wish to submit your claim for review, including a description of the Plan’s review procedures and the time limits applicable to such procedures and a statement of your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.

Request for Review if Your Claim Is Denied

After receiving a denial notice, you or your legal representative may appeal the denied claim and may: (1) request a review upon written application to the Plan Administrator; (2) review pertinent documents; and (3) submit written comments, documents, records, or other information relating to the claim; provided that such appeal is made within 60 days of the date you receive notification of the denied claim. If written request for review is not made within such 60-day period, you will forfeit your right to review. If you and/or your representative timely appeal the denied claim, the Plan Administrator will provide you with, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to your claim. The Plan Administrator's review will take into account all comments, documents, records, and other documents submitted by you relating to the claim, without regard to whether the information was submitted or considered in the initial benefit determination.

Final Decision

Upon receipt of a request for review, the Plan Administrator will provide written notification of its decision to you within a reasonable time period but not later than 60 days after receiving the request, unless special circumstances require an extension for processing the review. If such an extension is required, the Plan Administrator will notify you of such extension within 60 days of the date the appeal was received by the Plan Administrator, the special circumstances, and the date, no later than 120 days after the original date the review was requested, by which the Plan Administrator will notify you of its decision. If an extension is required due to your failure to submit information necessary to decide a claim, the period for making the benefit determination on review shall be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information. If you do not respond to the Plan Administrator's request for additional information within the reasonable time frame set forth by the Plan Administrator, the Plan Administrator may deny your appeal. A written notification from the Plan Administrator that your appeal has been denied will set forth, in a manner calculated to be understood by you:

- the specific reason(s) for the adverse determination;
- specific references to the Plan provisions on which the adverse determination is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to your claim for benefits; and
- a statement describing any voluntary appeal procedures offered by the Plan, your right to obtain information about those procedures, and your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.

No claim for benefits under the Plan may be brought in any forum until you (a) have submitted a written application for benefits in accordance with the procedures described above, (b) have been notified by the Plan Administrator or its delegate that the application is denied, (c) have filed a written request for a review of the application in accordance with the appeal

procedure described above, and (d) have been notified in writing that the Plan Administrator has denied the appeal.

Final Dispute Resolution

Any and all claims and disputes under the Plan (including but not limited to claims and disputes regarding interpretation, scope, or validity of the Plan, and any pendant state claims if not otherwise preempted by ERISA) must follow the claims procedures described above, before you may take action in any other forum regarding a claim for benefits under the Plan. Furthermore, any action you initiate under the Plan must be brought in accordance with this provision and must be brought within **one year** of a final determination on the claim for benefits under these claims procedures or your benefit claim will be deemed permanently waived and abandoned and you will be precluded from reasserting it.

In the event of any such further dispute, claim, question, or disagreement arising out of or relating to this Plan, you shall use your best efforts and the Company shall use its best efforts to settle such dispute, claim, question, or disagreement. To this effect, you and the Company shall consult and negotiate with each other, in good faith, and, recognizing mutual interests, attempt to reach a just and equitable resolution satisfactory to both parties.

If you and the Company do not reach a resolution within a period of 30 days, then such unresolved dispute, claim, question, or disagreement, upon notice by any party to the other, shall be submitted to and finally settled by arbitration in accordance with the Streamlined or Comprehensive Arbitration Rules and Procedures (the “**Rules**”) of the Judicial Arbitration and Mediation Service (“**JAMS**”) in effect at the time demand for arbitration is made by any such party. The parties shall mutually agree upon a single arbitrator within 30 days of such demand. In the event that the parties are unable to so agree within such 30-day period, then within the following 30-day period, the parties will request from JAMS a list of qualified arbitrators and will select an arbitrator in accordance with the Rules. Unless otherwise mutually agreed, the arbitrator shall be a practicing attorney with at least 15 years of experience and at least five years of experience as an arbitrator. Arbitration shall occur in the JAMS office closest to Simi Valley, California or such other location as may be mutually agreed by the parties.

All awards made by the arbitrators shall be final and binding, and judgment may be entered based upon such award in any court of law having competent jurisdiction. Any such award is subject to confirmation, modification, correction, or vacation only as explicitly provided in Title 9 of the United States Code (the “**Federal Arbitration Act**”). The parties acknowledge that this Plan evidences a transaction involving interstate commerce. The Federal Arbitration Act and the Rules shall govern the interpretation, enforcement, and proceedings pursuant to this provision. Any provisional remedy that would be available from a court of law shall be available from the arbitrator to the parties to this Plan pending arbitration. Either party may make an application to the arbitrators seeking injunctive relief to maintain the status quo, or may seek from a court of competent jurisdiction any interim or provisional relief that may be necessary to protect the rights and property of that party, until such times as the arbitration award is rendered or the controversy otherwise resolved. To the extent consistent with applicable law, the arbitrator may award fees and costs to the successful party.

By participating in the Plan, you are agreeing to binding arbitration of any disputes that may arise relating to the Plan and waiving your right to a jury trial.

Discretionary Authority

Authority to decide initial claims under the Plan and denied claims on review under the Plan includes the full power and sole discretion to interpret Plan provisions and to make factual determinations, with the decisions, interpretations, and factual determinations made by the Plan Administrator or its delegate, as applicable, controlling. Any interpretation, determination or other action of such persons shall be subject to review only if it is arbitrary or capricious or otherwise an abuse of discretion. Any review of a final decision or action of the persons reviewing a claim shall be based only on such evidence presented to or considered by such persons at the time they made the decision that is the subject of review.

Appendix A-6

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Exhibit A — List of Key Employees (as of December 3, 2024)

Name	Position	Tier
Wahid Nawabi	Chairman, President and Chief Executive Officer	Tier 1 Key Employee
Kevin McDonnell	Senior Vice President and Chief Financial Officer	Tier 2 Key Employee
Melissa Brown	Senior Vice President, General Counsel & Chief Compliance Officer	Tier 2 Key Employee
Brian Shackley	Vice President and Chief Accounting Officer	Tier 2 Key Employee

Exhibit A-1

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Exhibit B — Release of All Claims and Potential Claims & Code of Business Conduct and Ethics Disclosure Statement

RELEASE OF ALL CLAIMS AND POTENTIAL CLAIMS

1. This Release of All Claims and Potential Claims (“**Release**”) is entered into by and between _____ (“**Officer**”) and AeroVironment, Inc., a Delaware corporation (hereinafter the “**Company**”). Officer is a Key Employee under the AeroVironment, Inc. Executive Severance Plan (the “**Plan**”). In consideration of the promises made herein and the consideration due Officer under the Plan, this Release is entered into between the parties effective as of the Release Effective Date (as defined below).

2. (a) The purposes of this Release are to settle completely and release the Company, its individual and/or collective officers, directors, stockholders, agents, parent companies, subsidiaries, affiliates, predecessors, successors, assigns, employees (including all former employees, officers, directors, stockholders and/or agents), attorneys, representatives and employee benefit programs (including the trustees, administrators, fiduciaries and insurers of such programs) (referred to collectively as “**Releasees**”) in a final and binding manner from every claim and potential claim for relief, cause of action and liability of any and every kind, nature and character whatsoever, known or unknown, that Officer has or may have against Releasees arising out of, relating to or resulting from any events occurring prior to the execution of this Release, including but not limited to any claims and potential claims for relief, causes of action and liabilities arising out of, relating to or resulting from the employment relationship between Officer and the Company and its subsidiaries, affiliates and predecessors, and/or the termination of that relationship including any and all claims and rights under the Age Discrimination in Employment Act (“**ADEA**”), and any personal gain with respect to any claim arising under the qui tam provisions of the False Claims Act, 31 U.S.C. 3730, but excluding any rights or benefits to which Officer is entitled under the Plan.

(b) This is a compromise settlement of all such claims and potential claims, known or unknown, and therefore this Release does not constitute either an admission of liability on the part of Officer and the Company or an admission, directly or by implication, that Officer and/or the Company, its subsidiaries, affiliates or predecessors, have violated any law, rule, regulation, contractual right or any other duty or obligation. The parties hereto specifically deny that they have violated any law, rule, regulation, contractual right or any other duty or obligation.

(c) This Release is entered into freely and voluntarily by Officer and the Company solely to avoid further costs, risks and hazards of litigation and to settle all claims and potential claims and disputes, known or unknown, in a final and binding manner.

3. For and in consideration of the promises and covenants made by Officer to the Company and the Company to Officer, contained herein, Officer and the Company have agreed and do agree as follows:

(a) Officer waives, releases and forever discharges Releasees from any claims and potential claims for relief, causes of action and liabilities, known or unknown, that Officer has or may have against Releasees arising out of, relating to or resulting from any events occurring

Exhibit B-1

prior to the execution of this Release, including but not limited to any claims and potential claims for relief, causes of action and liabilities of any and every kind, nature and character whatsoever, known or unknown, arising out of, relating to or resulting from the employment relationship between Officer and the Company and its subsidiaries, affiliates and predecessors, and the termination of that relationship. For example, Officer is releasing all common law contract, tort, or other claims Officer might have, as well as all claims Officer might have under the ADEA, the Older Workers Benefit Protection Act, the Worker Adjustment & Retraining Notification Act (“*WARN Act*”), Title VII of the Civil Rights Act of 1964, Sections 1981 and 1983 of the Civil Rights Act of 1866, the Civil Rights Act of 1991, the Equal Pay Act, the Family and Medical Leave Act, the Americans With Disabilities Act (“*ADA*”), the Employee Retirement Income Security Act of 1974 (“*ERISA*”), the Equal Pay Act, the Family and Medical Leave Act of 1993, the Americans with Disabilities Act of 1990, the California Fair Employment and Housing Act, the California Equal Pay Law, the Moore-Brown-Roberti Family Rights Act of 1991, the California WARN Act, Cal. Lab. Code § 1400 *et seq.*; the California False Claims Act, Cal. Gov’t Code § 12650 *et seq.*; or the California Corporate Criminal Liability Act, California Labor Code, including but not limited to, Section 200 *et seq.* and 1102.5, and any applicable California Industrial Welfare Commission order and any similar domestic or foreign laws. In addition, this Release does not cover, and nothing in this Release shall be construed to cover, any claim that cannot be so released as a matter of applicable law.

(b) Officer agrees that Officer will not directly or indirectly institute any legal proceedings against Releasees before any court, administrative agency, arbitrator or any other tribunal or forum whatsoever by reason of any claims and potential claims for relief, causes of action and liabilities of any and every kind, nature and character whatsoever, known or unknown, arising out of, relating to or resulting from any events occurring prior to the execution of this Release, including but not limited to any claims and potential claims for relief, causes of action and liabilities arising out of, relating to or resulting from the employment relationship between Officer and the Company and its subsidiaries, affiliates and predecessors, and/or the termination of that relationship, including any and all claims and rights under the ADEA.

(c) Officer agrees not to engage in any conduct or make any oral or written public statement that is in any way critical of, or disparaging to, or otherwise derogatory about the Company or any of its products, services, business affairs, or financial condition, or any of the Company’s partners, affiliates, successors, or assigns, including any of its present or former officers, directors, partners, agents, or employees. However, nothing in this subsection shall prohibit Officer from complying with any lawful subpoena or court order or taking any other actions affirmatively authorized by law.

(d) Officer has disclosed to the Company any information Officer has concerning any conduct involving the Company or any affiliate that Officer has any reason to believe may be unlawful or that involves any false claims to the United States. Officer promises to cooperate fully in any investigation the Company or any affiliate undertakes into matters occurring during Officer’s employment with the Company or any affiliate.

(e) The parties understand and agree that nothing in the Plan or this Release: (i) limits or affects Officer’s right to challenge the validity of this Release, including, without limitation, a challenge under the ADEA; (ii) in any way interferes with Officer’s right and

Exhibit B-2

responsibility to give truthful testimony under oath; or (iii) precludes Officer from participating in an investigation, filing a charge or otherwise communicating with any federal, state or local government office, official or agency, including, but not limited to, the Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, or the Securities and Exchange Commission. Officer agrees never to seek or accept any compensatory damages, back pay, front pay or reinstatement remedies for Officer personally with respect to any claims released by this Release; provided, however, that Officer may accept awards from the Securities and Exchange Commission.

4. Officer agrees to continue to comply with the terms of the Full Release and the Company's standard form of confidential information and inventions assignment agreement and/or other agreements regarding non-competition, non-solicitation, non-disparagement, confidentiality, assignment of inventions or other similar covenants between such Eligible Employee and the Company (the "**Restrictive Covenants**"), including all post-termination obligations contained therein. In addition to all other rights and remedies available to the Company under law or in equity, the Company shall be entitled to withhold all Plan Benefits payable under the Plan in the event of your breach of Restrictive Covenants.

5. As a material part of the consideration for this Release, Officer and Officer's agents and attorneys, agree to keep completely confidential and not disclose to any person or entity, except immediate family, attorneys, accountants, or tax preparers, or in response to a court order or subpoena, the terms and/or conditions of this Release and/or any understandings, agreements, provisions and/or information contained herein or with regard to the employment relationship between Officer and the Company and its subsidiaries, affiliates and predecessors.

6. Any dispute, claim or controversy of any kind or nature, including but not limited to the issue of arbitrability, arising out of or relating to this Release, or the breach thereof, or any disputes which may arise in the future, shall be settled in a final and binding before an arbitrator appointed by the Judicial Arbitration and Mediation Service in accordance with **Annex 2** to this Release. The prevailing party shall be entitled to recover all reasonable attorneys' fees, costs and necessary disbursements incurred in connection with the arbitration proceeding. Judgment upon the award may be entered in any court having jurisdiction thereof. The Company and the Officer acknowledge and agree that they are hereby waiving any rights to trial by jury in any action, proceeding or counterclaim brought by either of the parties against the other in connection with any matter whatsoever arising out of or related to the Release. Employee further waives Employee's right to pursue claims against the Company on a class, collective, or representative action; provided, however, that Employee does not waive Employee's right, to the extent preserved by law, to pursue representative claims against the Company under the California Private Attorney General Act.

7. It is further understood and agreed that Officer has not relied upon any advice whatsoever from the Company and/or its attorneys individually and/or collectively as to the taxability, whether pursuant to Federal, State or local income tax statutes or regulations, or otherwise, of the consideration transferred hereunder and that Officer will be solely liable for all of Officer's tax obligations. Officer understands and agrees that the Company or its subsidiaries, affiliates or predecessors, may be required by law to report all or a portion of the amounts paid to Officer and/or Officer's attorney in connection with this Release to federal and state taxing

Exhibit B-3

authorities. Officer waives, releases, forever discharges and agrees to indemnify, defend and hold the Company harmless with respect to any actual or potential tax obligations imposed by law.

8. Officer acknowledges that Officer has read, understood and truthfully completed the Business Ethics and Conduct Disclosure Statement attached hereto as **Annex 1**.

9. It is further understood and agreed that Releasees and/or their attorneys shall not be further liable either jointly and/or severally to Officer and/or Officer's attorneys individually or collectively for costs and/or attorneys' fees, including any provided for by statute, nor shall Officer and/or Officer's attorneys be liable either jointly and/or severally to the Company and/or its attorneys individually and/or collectively for costs and/or attorneys' fees, including any provided for by statute.

10. Officer understands and agrees that if the facts with respect to which this Release are based are found hereafter to be other than or different from the facts now believed by Officer to be true, Officer expressly accepts and assumes the risk of such possible difference in facts and agrees that this Release shall be and remain effective notwithstanding such difference in facts.

11. Officer understands and agrees that there is a risk that the damage and/or injury suffered by Officer may become more serious than Officer now expects or anticipates. Officer expressly accepts and assumes this risk, and agrees that this Release shall be and remains effective notwithstanding any such misunderstanding as to the seriousness of said injuries or damage.

12. Officer understands and agrees that if Officer hereafter commences any suit arising out of, based upon or relating to any of the claims and potential claims for relief, cause of action and liability of any and every kind, nature and character whatsoever, known or unknown, Officer has released herein, Officer agrees to pay Releasees, and each of them, in addition to any other damages caused to Releasees thereby, all attorneys' fees incurred by Releasees in defending or otherwise responding to said suit.

13. It is further understood and agreed that this Release shall be binding upon and will inure to the benefit of Officer's spouse, heirs, successors, assigns, agents, employees, representatives, executors and administrators and shall be binding upon and will inure to the benefit of the individual and/or collective successors and assigns of Releasees and their successors, assigns, agents and/or representatives.

14. This Release shall be construed in accordance with and governed for all purposes by the laws of the State of [_____].

15. Officer agrees that Officer will not seek future employment with, nor need to be considered for any future openings with the Company, any division thereof, or any subsidiary or related corporation or entity.

16. Officer and Releasees expressly waive all rights under Section 1542 of the Civil Code of the State of California, which they fully understand, and any other similar provision or the law of any other state or jurisdiction. Section 1542 provides as follows:

Exhibit B-4

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY, AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

17. Notwithstanding anything in this Release to the contrary, Officer does not waive, release or discharge any rights to indemnification for actions occurring through Officer's affiliation with the Company or its subsidiaries, affiliates or predecessors, whether those rights arise from statute, corporate charter documents or any other source nor does Officer waive, release or discharge any right Officer may have pursuant to any insurance policy or coverage provided or maintained by the Company or its subsidiaries, affiliates or predecessors.

18. If any part of this Release is found to be either invalid or unenforceable, the remaining portions of this Release will still be valid and enforceable.

19. This Release is intended to release and discharge any claims of Officer under the Age Discrimination and Employment Act. To satisfy the requirements of the Older Workers' Benefit Protection Act, 29 U.S.C. section 626(f), the parties agree as follows:

- A. Officer acknowledges that Officer will receive consideration in exchange for this Release to which Officer would not otherwise be entitled.
- B. Officer acknowledges that Officer has read and understands the terms of this Release.
- C. Officer acknowledges that Officer has the right to and has been advised in writing to consult with an attorney, if desired, concerning this Release and has received all advice Officer deems necessary concerning this Release.
- D. Officer acknowledges that Officer has been given twenty-one (21) days (or forty-five (45) days, if required by applicable law) to consider whether to enter into this Release, has taken as much of this time as necessary to consider whether to enter into this Release, and has chosen to enter into this Release freely, knowingly and voluntarily.
- E. For a seven day period following the execution of this Release, Officer may revoke this Release by delivering a written revocation to at the Company. This Release shall not become effective and enforceable until the revocation period has expired. The date on which this Release becomes effective is referred to herein as the "***Release Effective Date.***"

20. Officer acknowledges that Officer has been encouraged to seek the advice of an attorney of Officer's choice with regard to this Release. Having read the foregoing, having understood and agreed to the terms of this Release, and having had the opportunity to and having been advised by independent legal counsel, the parties hereby voluntarily affix their signatures.

21. This Release is to be interpreted without regard to the draftsperson. The terms and intent of this Release shall be interpreted and construed on the express assumption that all parties participated equally in its drafting.

22. This Release constitutes a single integrated contract expressing the entire agreement of the parties hereto. Except for the Plan, which defines certain obligations on the part of both parties, and this Release, there are no agreements, written or oral, express or implied, between the parties hereto, concerning the subject matter herein.

23. This Release only may be amended by a written agreement that the Company and Officer both sign.

Dated: _____, 20____

[Signature]

[Print Name]

AeroVironment, Inc.

By: _____

Name: _____

Its: _____

Exhibit B-6

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ANNEX 1 TO RELEASE OF CLAIMS
CODE OF BUSINESS CONDUCT AND ETHICS

DISCLOSURE STATEMENT

Are you aware of any illegal or unethical practices or conduct anywhere within AeroVironment, Inc. or its subsidiaries, affiliates or predecessors (the “*Company*”) (including, but not limited to, improper charging practices, or any violations of the Company’s Code of Business Conduct and Ethics, as amended and restated as of the date of this Disclosure Statement)?

Yes

No

(Your answer to all questions on this form will not have any bearing on the fact or terms of your Release with the Company.)

If the answer to the preceding question is “yes,” list here, in full and complete detail, all such practices or conduct. (Use additional pages if necessary.)

Have any threats or promises been made to you in connection with your answers to the questions on this form?

Yes

No

If “yes,” please identify them in full and complete detail. Also, notify the Company’s General Counsel immediately.

I declare under penalty of perjury, under the laws of the State of California and of the United States, that the foregoing is true and correct.

Executed this _____ of _____, 20__.

[Signature]

[Print Name]

ANNEX 2 TO RELEASE OF CLAIMS**DISPUTE RESOLUTION PROGRAM****1. Arbitration Procedural Rules**

Either party may initiate an arbitration under the then-current JAMS Employment Dispute Rules and Procedures. The applicable arbitral rules are available for review at www.jamsadr.com (under the Rules/Clauses tab).

- 1.1. The parties will make reasonable efforts to agree upon a mutually satisfactory arbitrator chosen from the JAMS panels. If the parties are unable to agree upon an arbitrator within 30 days of either party's notice to the other party of a demand for arbitration, the Company will request from JAMS a list of qualified arbitrators. The parties will then select an arbitrator in accordance with JAMS Employment Dispute Rules and Procedures. Unless otherwise mutually agreed, the arbitrator shall be a practicing attorney with at least 15 years of experience and at least five years of experience as an arbitrator.
- 1.2. The Company and the Officer agree that the arbitration will be conducted by a single arbitrator in the JAMS office (as applicable) closest to nearest the Officer's most recent assigned place of work (or such other location as is mutually agreed to by the parties).
- 1.3. The nature of the substantive claims asserted will determine which body of substantive laws will apply. In the event that there is a dispute regarding which substantive laws apply, the arbitrator shall decide that issue.
- 1.4. The parties agree that all proceedings before the arbitrator will remain confidential between the parties, including but not limited to any depositions, discovery, pleadings, exhibits, testimony, or award. The parties will inform third parties (including witnesses) necessary to the proceeding that the proceeding is confidential, and use reasonable efforts to secure that individual's agreement to maintain such confidentiality. The requirement of confidentiality, however, will not apply in the event that either party seeks to confirm an arbitral award and enter a judgment thereon in an appropriate court, or if any such arbitral award is appealed to an appropriate court.

2. Injunctive or Other Interim Relief

Any provisional remedy that would be available from a court of law shall be available from the arbitrator to the parties to the Release pending arbitration. The Company or the Officer may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this Paragraph 2, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights of that party, pending the establishment of the arbitral tribunal (or pending the arbitral tribunal's determination of the merits of the controversy).

3. Remedies, Written Decision, Fees.

Final resolution of any dispute through arbitration may include any remedy or relief available under applicable law. At the conclusion of the arbitration, if either party requests, the arbitrator will issue a written decision that sets forth the essential findings and conclusions upon which the arbitrator's award or decision is based. Any costs unique to arbitration (such as the costs of the arbitrator and room fees) will be paid by the Company and the parties will otherwise bear their own fees and costs, including attorneys' fees and expert fees. The Company and the Officer acknowledge and agree that they are hereby waiving any rights to trial by jury in any action, proceeding or counterclaim brought by either of the parties against the other in connection with any matter whatsoever arising out of or related to the Release. A successful party may make application to the arbitrator for an award of fees and/or costs and the arbitrator may award such fees and costs consistent with applicable law.

4. Application of FAA and Questions of Arbitrability.

The Company and the Officer agree that the Federal Arbitration Act, 9 U.S.C. § 1 et seq. ("FAA") governs the enforceability of any and all of the arbitration provisions in the Release and/or this Exhibit. All awards made by the arbitrator shall be final and binding, and judgment may be entered based upon such award in any court of law having competent jurisdiction. Any such award is subject to confirmation, modification, correction, or vacation only as explicitly provided in Title 9 of the FAA. Questions related to procedures (including venue and choice of arbitrator), timeliness, and arbitrability (that is whether an issue is subject to arbitration under the Release and/or this Exhibit) shall be decided by the arbitrator.

Claims filed must be timely, i.e., within the time set by the applicable statute(s) of limitations.

5. Administrative Remedies.

The parties further agree that nothing in the Release and/or this Exhibit precludes any party from filing or participating in administrative proceedings before the California Unemployment Insurance Appeals Board, California Workers Compensation Appeals Board, California Labor Commissioner, California Division of Labor Standards Enforcement, the California Department of Fair Employment & Housing, or similar California or federal administrative agencies, to address alleged violations of law enforced by those agencies. If the Officer exercises such administrative remedies, the Company will not retaliate against the Officer for doing so. The Company, however, reserves the right to oppose any such administrative proceeding, including on the grounds that such agency(ies) lack jurisdiction over any dispute. Notwithstanding the foregoing, to the extent permitted by law, if the Officer or the Company seeks to appeal any such administrative award to a court of competent jurisdiction and/or for a trial de novo in such a court, the Officer and the Company agree that that such appeal or trial de novo is subject to the binding arbitration requirement described above in the Release and this Exhibit.

6. The Officer Understands His/Her Agreement to Arbitrate.

The Officer represents and warrants that he/she understands the meaning and effect of the agreement to arbitrate and has been provided reasonable time and opportunity to consult with legal counsel regarding this agreement to arbitrate.

Annex 2-3

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**AEROVIRONMENT, INC.
EXECUTIVE TRANSACTION SEVERANCE PLAN**



PROCEED
WITH
CERTAINTY

Effective December 3, 2024

US-DOCS\155563162.1

TABLE OF CONTENTS

	<u>Page</u>
<u>I. INTRODUCTION</u>	<u>3</u>
<u>II. ELIGIBILITY</u>	<u>3</u>
<u>A. Eligibility Criteria</u>	<u>3</u>
<u>B. Requirements for Receiving Plan Benefits</u>	<u>3</u>
<u>C. Glossary of Certain Important Plan Terms</u>	<u>4</u>
<u>III. PLAN BENEFITS FOR QUALIFYING TERMINATIONS</u>	<u>6</u>
<u>IV. OTHER CONSIDERATIONS</u>	<u>7</u>
<u>A. Other Plans</u>	<u>7</u>
<u>B. Reemployment and Repayment</u>	<u>7</u>
<u>C. Tax Information</u>	<u>8</u>
<u>D. Section 280G</u>	<u>8</u>
<u>E. Section 409A</u>	<u>8</u>
<u>F. Employment Issues</u>	<u>9</u>
<u>G. Assignment; Non-transferability; Successors</u>	<u>9</u>
<u>H. Governing Law</u>	<u>6</u>
<u>I. No Duty to Mitigate</u>	<u>6</u>
<u>J. Complete Statement of Plan</u>	<u>6</u>
<u>K. No Third-Party Beneficiaries</u>	<u>6</u>
<u>L. Notices</u>	<u>7</u>
<u>APPENDIX A</u>	<u>11</u>
<u>Inquiries and Claims</u>	<u>11</u>
<u>Situations That Can Affect Your Plan Benefits</u>	<u>11</u>
<u>Other Important Information about the Plan</u>	<u>12</u>
<u>Changes to the Plan</u>	<u>12</u>
<u>Administrator and Administration</u>	<u>13</u>
<u>Claim Review Process for Plan Benefits</u>	<u>14</u>
<u>Final Dispute Resolution</u>	<u>16</u>
<u>Discretionary Authority</u>	<u>17</u>
<u>Exhibit A</u> — List of Participants	
<u>Exhibit B</u> — Release of All Claims and Potential Claims & Code of Business Conduct and Ethics Disclosure Statement	
<u>Exhibit C</u> — Form of Executive Transaction Severance Plan Participation Agreement	

I. INTRODUCTION

The purpose of the AeroVironment, Inc. Executive Transaction Severance Plan (the “**Plan**”) is to provide severance protection to eligible employees of AeroVironment, Inc. (the “**Company**”) and its participating affiliates in the event of a termination of their employment in certain specified circumstances. The Plan provides for severance payments and other benefits (collectively “**Plan Benefits**”) to eligible employees who have a Qualifying Termination (defined below) and who meet all of the other conditions of the Plan.

This document constitutes the plan document under the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), for the Plan effective December 3, 2024 (the “**Effective Date**”). It describes the eligibility criteria and Plan Benefits available to eligible employees.

You must read each provision of this document as a part of the whole summary. A single statement, read out of context, may be misleading. The Plan provides benefits to a select group of management or highly compensated employees of the Company and therefore fits within the “top hat” plan exception to many of the requirements of ERISA.

II. ELIGIBILITY

A. Eligibility Criteria

You are an eligible employee for purposes of the Plan only if the Company designates you as a “**Participant**” under the Plan, you are provided with and countersign a Participation Agreement (as defined below) and you meet the requirements set forth in Section II.B below. The Company may designate Participants in such circumstances as the Company determines make the provision of Plan Benefits appropriate. The determination of Participants will be made consistent with the requirement that the Plan be a top hat plan for purposes of ERISA. The list of Participants under the Plan as of the Effective Date is attached as **Exhibit A** hereto, which exhibit shall be updated from time to time to reflect the designation of additional Participants. You will not be an eligible employee if you have not been designated by the Company as a Participant or have not received and countersigned a Participation Agreement.

B. Requirements for Receiving Plan Benefits

If you are a Participant, you will be eligible to receive Plan Benefits only if each of the following applies to you:

- you have received and countersigned a Participation Agreement;
- you have a Qualifying Termination;
- you timely sign and do not revoke a waiver and release of claims against the Company and its affiliates and other related parties that becomes effective and irrevocable within the time frame set forth in Section III below (a “**Full Release**”) and comply with the terms of the Full Release, including, with respect to the Equity

Award Plan Benefits, providing the transition consulting services thereunder during the specified period;

- you continue to comply with the terms of the Full Release and the Company's standard form of confidential information and inventions assignment agreement and/or other agreements regarding non-competition, non-solicitation, non-disparagement, confidentiality, assignment of inventions or other similar covenants between you and the Company (the "**Restrictive Covenants**"), including all post-termination obligations contained therein. In addition to all other rights and remedies available to the Company under law or in equity, the Company shall be entitled to withhold all Plan Benefits payable under this Plan in the event of your breach of the Full Release or the Restrictive Covenants; and
- you meet all other requirements of the Plan.

C. Glossary of Certain Important Plan Terms

Under the Plan, the following terms have the following meanings:

"**Base Salary Amount**" means your annual base salary as in effect on the Termination Date.

"**Bonus Amount**" means the annual target bonus established under any annual bonus or incentive plan maintained by the Company in respect of the fiscal year in which your termination occurs (or your annual target bonus in respect of the most recently completed fiscal year if your termination occurs prior to the establishment of an annual target bonus for the fiscal year in which your termination occurs). Bonus Amount includes only the short-term cash incentive portion of the annual bonus and does not include equity awards or other long-term incentive compensation awarded to you.

"**Cause**" will be defined as that term is defined in your offer letter or other applicable employment agreement. If there is no such definition, "**Cause**" means, as determined by the Company in its sole discretion:

(a) your conviction of, or plea of guilty or nolo contendere to, any felony (other than traffic related offenses or as a result of vicarious liability) or other crime involving moral turpitude, dishonesty or theft;

(b) your commission of an act of fraud, embezzlement, theft, or misappropriation in connection with your duties or committed in the course of your employment;

(c) engaging in illegal conduct or gross misconduct that would (i) adversely affect the business or the reputation of the Company or any of its affiliates with their respective current or prospective customers, suppliers, lenders, or other third parties with whom such entity does or might do business or (ii) expose the Company or any of its affiliates to a risk of civil or criminal legal damages, liabilities, or penalties;

(d) failing to perform your duties in a reasonably satisfactory manner after the receipt of a notice from the Company detailing such failure if the failure is incapable of cure, and if the

failure is capable of cure, upon the failure to cure such failure within 30 days of such notice or upon its recurrence;

(e) material violation of any contract or agreement between you and the Company or any Company policy; or

(f) intentional unauthorized use or disclosure of the Company's confidential information or trade secrets.

A termination for Cause includes a termination following which the Company determines that circumstances existing prior to your termination or during the payment of Plan Benefits would have entitled the Company or an affiliate to have terminated you for Cause. All rights you may have under the Plan will be suspended automatically during the pendency of any investigation by the Company or during any negotiations between the Company and you concerning any actual or alleged act or omission by you of the type described in the applicable definition of Cause.

"Continuation Period" means the 12 month period following a Participant's Termination Date.

"Continuation Period Benefits" means the Company's provision (at its expense) to you and your dependents and beneficiaries of the same or equivalent medical, dental, and vision benefits provided to other similarly situated employees who continue in the employ of the Company during the Continuation Period, subject to the terms and conditions and limitations of the Company (or affiliate) plan under which such benefits are provided. If the Company cannot provide the foregoing benefits in a manner that is compliant with applicable law or the terms of the applicable plan, instead of providing the benefits as set forth above, the Company shall instead pay you the monthly premium amount for such benefits (determined by reference to the premiums in effect immediately prior to the Termination Date) as a taxable monthly payment for the Continuation Period (or any remaining portion thereof). The Company may reduce its provision of any benefits if you become eligible to obtain such benefits pursuant to a subsequent employer's benefit plans, as long as the coverage and benefits of the combined benefit plans are no less favorable to you than the coverage and benefits required to be provided hereunder.

"Equity Award" means each outstanding and unvested equity award held by you granted pursuant to an equity plan, including, without limitation, each restricted stock, stock option, restricted stock unit, performance stock unit or other equity award.

"Notice of Termination" means a written notice from you or the Company of the termination of your employment, which indicates the specific termination provision in the Plan relied upon and which sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.

"Participation Agreement" means a written notice to any eligible employee that the eligible employee is a Participant under the Plan, and which sets forth such Participant's severance benefits and entitlements under the Plan, on the form set forth on **Exhibit C**.

“*Pro Rata Bonus*” means an amount equal to the Bonus Amount multiplied by a fraction, the numerator of which is the number of days elapsed in the then-current fiscal year through and including the Termination Date and the denominator of which is 365.

“*Qualifying Termination*” means a termination of your employment by the Company without Cause occurring within twelve (12) months following the Effective Date. In no event will your termination of employment for any reason more than 12 months following the Effective Date or a termination for Cause or a voluntary termination by you for any reason at any time constitute a Qualifying Termination. For the avoidance of doubt, a termination of your employment by reason of your death or disability shall not constitute a Qualifying Termination.

“*Termination Date*” means (a) in the case of your death, your date of death, and (b) in all other cases, the date specified in the Notice of Termination. Anything in this Plan to the contrary notwithstanding, a transfer of employment from the Company to an affiliate or vice versa shall not be considered a termination of employment for purposes of this Plan.

III. PLAN BENEFITS

If you experience a Qualifying Termination, you will be eligible to receive the payments and benefits below, provided that you deliver to the Company a Full Release in a form satisfactory to the Company and similar to the agreement set forth in **Exhibit B** (with such changes as may be reasonably required to such form to help ensure its enforceability in light of any changes in applicable law) pursuant to which you fully and completely release the Company from all claims that you may have against the Company (other than any claims that may arise or have arisen under the Plan or that cannot be released under applicable law) and, with respect to the Equity Award Plan Benefits, agree to provide transition consulting services to the Company during the period described in the Full Release. The Full Release must become effective in accordance with its terms prior to the date that is 30 days (or such longer period to the extent required by applicable law, but in no event more than 60 days) following the Termination Date (including the expiration of any revocation period thereunder without your revocation of the Full Release).

In the event of your Qualifying Termination, you will become eligible for the following payments and benefits:

- (a) in the event that your Qualifying Termination occurs at any time other than between April 1, 2025 and June 30, 2025, a Pro Rata Bonus (and, for the avoidance of doubt, if your Qualifying Termination occurs during the period commencing April 1, 2025 and ending June 30, 2025, you will not be entitled to a Pro Rata Bonus),
- (b) an amount equal to your Base Salary Amount,
- (c) Continuation Period Benefits for the Continuation Period,
- (d) with respect to each of your Equity Awards the vesting of which is solely service-based, the right to remain eligible to vest in the unvested portion of such Equity Award that is scheduled to vest during the 12-month period following the date of your Qualifying Termination, as determined in accordance with the vesting schedule(s) provided in the applicable Equity Award agreement, subject to your continued transition consulting services through each applicable vesting

date during such period as provided in the Full Release (the “*Equity Award Plan Benefits*”). Unless otherwise determined by the Company, the date of your Qualifying Termination will, however, be considered the date of your termination of continuous service for any portion of your Equity Awards that are not eligible to vest as described in this clause (d) or the vesting of which is tied in whole or in part to performance, and notwithstanding any terms of the applicable Equity Award agreement(s) or plan to the contrary, any such awards shall no longer be eligible to vest following the Termination Date, notwithstanding your continued transition consulting services as provided in the Full Release; and

(e) outplacement services suitable to your position until the end of the Continuation Period (or, if earlier, when you accept an offer of employment).

Your Pro Rata Bonus and Base Salary Amount will be paid in a single lump sum cash payment 30 days after the Termination Date.

Notwithstanding the foregoing, in the event of a Change in Control (as defined in the applicable Equity Award agreement or equity plan) prior to your Qualifying Termination, if the Equity Award agreement or the equity plan pursuant to which your Equity Awards were granted provides for more favorable treatment of Equity Awards upon your Qualifying Termination following such Change in Control than the treatment provided in this Section III, nothing in this Plan is intended to limit your right to such more favorable treatment as provided in such Equity Award agreement or equity plan.

IV. OTHER CONSIDERATIONS

A. Other Plans

Participation in the Plan does not enhance or reduce the amounts, if any, payable to you under any other benefit plan maintained by the Company or its affiliates. Notwithstanding the foregoing sentence, the Plan Benefits provided are intended to be and are exclusive and in lieu of any other severance benefits or payments to which a Participant may otherwise be entitled, either at law, tort, or contract, in equity, or under the Plan, in the event of any Qualifying Termination. In furtherance of the foregoing, a Participant shall not be entitled to any Plan Benefit under this Plan which duplicates a payment or benefit received or receivable by the Participant under any individual agreement with the Company, or any other plan, program or arrangement of the Company or any severance or pay in lieu of notice required by applicable law or regulation, **including, without limitation, the Worker Adjustment and Retraining Notification Act (“WARN”) or any similar state or local statute, rule or regulation.** If a Participant has a right to payments or benefits upon a Qualifying Termination that duplicate any Plan Benefit under this Plan, the Plan Benefits shall be reduced, dollar for dollar, by the amount of the duplicate payment(s) and benefit(s). Such reductions may be applied on a retroactive basis, with severance benefits previously paid being recharacterized as payments pursuant to a statutory obligation of the Company.

B. Reemployment and Repayment

You do not have any right to reemployment or any preferential rights for rehire as a result of participation in the Plan.

C. Tax Information

Your Plan Benefits are taxable to you as ordinary income. This document is not intended to provide a complete description of the tax consequences of the Plan. You are urged to consult with your personal tax advisor before making any decisions. The Company will withhold from any severance such federal and state tax withholdings and other deductions reasonably determined to be required by law, such as those made in order to comply with any court or administratively ordered garnishments from certain Plan Benefits.

D. Section 280G

Notwithstanding anything contained in the Plan to the contrary, if it is determined that any payment by the Company or any other person or entity to you or for your benefit under the Plan or otherwise, in connection with, or arising out of, your service with the Company or its affiliate or a change in ownership or effective control of the Company or a substantial portion of its assets (a "**Payment**") is a "parachute payment" within the meaning of Code Section 280G on account of the aggregate value of the Payments due to you being equal to or greater than three times the "base amount," as defined in Code Section 280G (the "**Parachute Threshold**"), so that you would be subject to the excise tax imposed by Code Section 4999, and the net after-tax benefit that you would receive by reducing the Payments to the Parachute Threshold is greater than the net after-tax benefit you would receive if the full amount of the Payments were paid to you, then the Payments payable to you will be reduced (but not below zero) so that the Payments due to you do not exceed the amount of the Parachute Threshold. The foregoing reductions shall be made in a manner that results in the maximum economic benefit to you on an after-tax basis and, to the extent economically equivalent payments or benefits are subject to reduction, in a pro rata manner; provided, further, that, notwithstanding the foregoing, any such reduction shall be undertaken in a manner that complies with and does not result in the imposition of additional taxes on you under Code Section 409A.

All determinations regarding the application of this Section V.D shall be made by a nationally recognized accounting firm or consulting group with experience in performing calculations regarding the applicability of Sections 280G 4999 and 280G of the Code selected by the Company (the "**Independent Advisors**"). For purposes of determinations, no portion of the Payments shall be taken into account which, in the opinion of the Independent Advisors, (i) does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Code Section 280G(b)(4)(A)) or (ii) constitutes reasonable compensation for services actually rendered, within the meaning of Code Section 280G(b)(4)(B), in excess of the "base amount" (as defined in Code Section 280G(b)(3)) allocable to such reasonable compensation. The costs of obtaining such determination and all related fees and expenses (including related fees and expenses incurred in any later audit) shall be borne by the Company.

E. Section 409A

The Plan is not intended to be a deferred compensation plan for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the “*Code*”). The Plan will in all respects be interpreted, operated, and administered in accordance with this intent. Payments provided under the Plan will only be made in a manner that complies with or is exempt from Code Section 409A, including exemptions under the “short-term deferral” rule in Treasury Regulation § 1.409A-1(b)(4), and the “two-year, two-time” rule described in Treasury Regulation § 1.409A-1(b)(9). To the extent that any provision in this Agreement is ambiguous as to its compliance with or exemption from Code Section 409A, the provision shall be read in such a manner that no payments payable under this Plan shall be subject to an “additional tax” as defined in Section 409A(a)(1)(B) of the Code. For purposes of Code Section 409A, each installment payment under the Plan shall be treated as a separate payment. For purposes of the Plan, to the extent required to ensure the payments and benefits hereunder comply with, or are exempt from, Code Section 409A, all references to your “termination of employment” shall mean your “separation from service” (as defined in Code Section 409A). Notwithstanding any other term or condition of the Plan, if you are a “specified employee” (as determined by the Company in accordance with Treasury Regulation § 1.409A-1(i)) as of your date of termination), then all payments and benefits that are subject to the requirements of Code Section 409A (determined after taking into account the “short-term deferral” rule in Treasury Regulation § 1.409A-1(b)(4), the “two-year, two-time” rule described in Treasury Regulation § 1.409A-1(b)(9), and any other available exception from such requirements) that would otherwise be payable and benefits that would otherwise be provided under the Plan during the six-month period immediately after your “separation from service” (as defined in Code Section 409A) will instead be paid on the first payroll date after the six-month anniversary of your separation from service (or your death, if earlier). To the extent required by Section 409A of the Code, any reimbursement or in-kind benefit provided under this Plan shall be provided in accordance with the following: (i) the amount of expenses eligible for reimbursement, or in-kind benefits provided during each calendar year cannot affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year; (ii) any payments in lieu of the benefits shall be paid no later than the end of your taxable year next following your taxable year in which the benefit or expense was due to be paid; and (iii) any right to reimbursements or in-kind benefits under this Plan shall not be subject to liquidation or exchange for another benefit. Notwithstanding the foregoing, the Company has no obligation to take any action to prevent the assessment of any additional tax or penalty on you under Code Section 409A and the Company has any liability to you for such tax or penalty.

F. Employment Issues

The Plan does not constitute inducement or consideration for the employment of any employee, nor is it a contract between any employee and the Company or any of its affiliates. The Plan does not give any employee the right to continued employment. The Company and its affiliates have the right to hire and terminate any employee at any time, as if the Plan had never been established. The Plan does not provide eligible employees with any right not expressly granted by its provisions, and does not provide any benefit without the execution of the Full Release.

G. Assignment; Non-transferability; Successors. No right of a Participant to any payment or benefit under this Plan shall be subject to assignment, anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the

Participant or of any beneficiary of the Participant. Any successor to the Company (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) or to all or substantially all of the Company's business and/or assets shall assume the obligations under this Plan and agree expressly to perform any of the Company's obligations under this Plan. For all purposes under this Plan, the term "**Company**" shall include any successor to the Company's and/or Company's business and/or assets which becomes bound by the terms of the Plan by operation of law. All of a Participant's rights hereunder shall inure to the benefit of, and be enforceable by, his or her personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

H. Governing Law. This Plan is a welfare plan subject to ERISA and it shall be interpreted, administered, and enforced in accordance with that law. To the extent that state law is applicable, the validity, construction and effect of this Plan and any rules and regulations relating to this Plan shall be determined in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of laws. If any provision hereof shall be held by a court or arbitrator of competent jurisdiction to be invalid and unenforceable, the remaining provisions shall continue to be fully effective.

I. No Duty to Mitigate. No Participant shall be required to mitigate, by seeking employment or otherwise, the amount of any payment that the Company becomes obligated to make under this Plan, and, except as expressly provided in this Plan, amounts or other benefits to be paid or provided to a Participant pursuant to this Plan shall not be reduced by reason of the Participant's obtaining other employment or receiving similar payments or benefits from another employer.

J. Complete Statement of Plan. This Plan document (which incorporates the applicable Appendix(ces) by reference) contains a complete statement of the Plan's terms and supersedes all prior statements with respect to the Plan's terms. No other evidence, whether written or oral, shall be taken into account in interpreting the provisions of the Plan. In the event of a conflict between a provision in this Plan document and any booklet, brochure, presentation, or other communication (whether written or oral), the provision of this Plan document shall control.

K. No Third-Party Beneficiaries. This Plan shall not give any rights or remedies to any person other than Participants hereunder (or their estates or beneficiaries, in the event of an eligible employee's death) and the Company.

L. Notices. Any notice required or permitted by this Plan shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to a Participant at the most recent address on the Company's personnel records and to the Company at its principal place of business, or such other address as either party may specify in writing.

APPENDIX A

This Appendix A includes important information and constitutes part of the Plan.

Inquiries and Claims

To file a claim relating to the Plan, follow the procedures described here.

Inquiries and questions about the Plan may be addressed to the Plan Administrator at the address provided below under the “*Plan Administration*” section. If you disagree with your benefits under the Plan, you must file a claim within 60 days of your Termination Date. Any legal action for benefits under the Plan must be brought within one year following a final decision on a claim brought in accordance with the Plan’s claims procedures under the “*Claim Review Process for Plan Benefits*” section below and must be brought in accordance with the “*Final Dispute Resolution*” section below.

Situations That Can Affect Your Plan Benefits

Some situations could cause a loss or delay of your Plan Benefits.

The Plan is designed to provide Plan Benefits to eligible employees. Some situations could affect Plan Benefits. These situations include the following:

- Eligibility for the Plan is limited to those eligible employees designated by the Company. You may be in a position such that you are not designated as eligible for the Plan. If you are not designated as an eligible employee, you will not be eligible for Plan Benefits.
- Eligibility for Plan Benefits is subject to strict deadlines. If you do not meet the deadlines, you will not be eligible for Plan Benefits.
- Eligibility for Plan Benefits is conditioned on your signing and not revoking a Full Release and separating from employment on a specified date in the manner determined by the Company. If you do not comply with these requirements, you will not be eligible for Plan Benefits.
- If you voluntarily separate from employment, you generally will not be eligible to receive Plan Benefits.
- If you are designated as an eligible employee under the Plan but your employment is terminated for any reason other than a Qualifying Termination, you will not be eligible to receive Plan Benefits.
- If you are designated as an eligible employee under the Plan but are removed from service and subsequently terminated for Cause, you will not be eligible to receive Plan Benefits.
- If you are selected for and accept a regular full-time position with the Company or its affiliates following your Qualifying Termination but prior to receiving all Plan Benefits, you will not be eligible to receive further Plan Benefits.

Other Important Information about the Plan

- Your Plan Benefits are paid from the general assets of the Company or its participating affiliates. The Plan is not funded and no contributions are made to the Plan. Benefits under the Plan are paid from the general assets of the Company and its participating affiliates.
- If you die before any Plan Benefits under the Plan are paid, such payment(s) may be paid to your estate upon execution of an effective waiver and release by your estate's representative.
- Any overpayments from the Plan may be recouped from future payments or by other means permitted by law.
- Nothing in the Plan is a commitment of continued employment. Your employment is at-will. The Company's and its affiliates' right to terminate or change the terms of your employment remains the same as if the Plan had not been adopted.
- Plan Benefits are paid only if the Plan Administrator determines that you are entitled to Plan Benefits.
- As a participant in the Plan, you have certain rights under ERISA. Information about your rights and other important information can be found in the "*Plan Administration*" section.
- If you disagree with your Plan Benefits, you must file a claim and provide any required information with the claim before Plan Benefits can be paid. See the "*Claim Review Process for Plan Benefits*" section for information on claim submissions and the review process.
- Any claim for Plan Benefits must be filed within 60 days of your Termination Date.
- Any legal action for benefits under the Plan must be brought within one year following the final decision on a claim brought in accordance with the Plan's claims procedures. See the "*Final Dispute Resolution*" section for information on the procedure for legal action.

Changes to the Plan; Termination

The Company may amend or terminate the Plan at any time, but no amendment or termination of the Plan may, without your consent, materially impair your rights under the Plan. In addition, the Plan will terminate on the date that is twelve (12) months following the Effective Date (other than with respect to any Participant who has had a Qualifying Termination during such twelve (12) month period, in which case the Plan will remain in effect until all of such Plan Benefits have been paid or provided as set forth herein and any remaining period to make a claim hereunder has expired).

Administrator and Administration

The “**Plan Administrator**” for the Plan is the Company. The Plan Administrator has the responsibility and authority to control and manage the operation and administration of the Plan. The Plan Administrator may assign or delegate any of its authority or duties to others. The Plan Administrator’s address and telephone number are:

AeroVironment, Inc.
c/o Corporate Secretary
241 18th Street South, Suite 650
Arlington, VA 22202
(805) 520-8350

The Plan Administrator and any delegate thereof, each within its area of authority and responsibility, have the power and discretion to construe and interpret the Plan and to make factual determinations. Plan Benefits are paid only if the Plan Administrator or its delegate decides in its sole discretion that the applicant is entitled to the Plan Benefits. All decisions of the Plan Administrator (including any delegate) under the Plan will be in its sole discretion and will be final and binding upon all persons.

Claim Review Process for Plan Benefits

The Plan has a claim review process that must be followed whenever you submit a claim for benefits under the Plan.

Initial Decision

When you file a claim to receive Plan Benefits, the Plan Administrator or its delegate reviews the claim and makes a decision to either approve or deny the claim (in whole or in part). If your claim is determined to be valid, you will receive benefits under the Plan as provided for in Section III of the Plan. If your claim is denied, in whole or in part, you will receive a written notice of the claim decision no later than 90 days after receipt of your claim. In some situations, the Plan Administrator may need an extension of time of up to 90 days to make a decision (for example, if it needs additional information). If the Plan Administrator needs an extension, it will notify you of the reason for the extension and the date by which a decision on the claim can be expected within the initial 90-day period following receipt of your claim.

If Your Claim Is Denied

If your claim is denied, in whole or in part (an “adverse determination”), you will receive a written notice that explains in a manner calculated to be understood by you:

- the specific reason(s) for the adverse determination;
- specific references to the Plan provisions on which the adverse determination is based;
- a description of any additional material or information needed from you and an explanation of why it is necessary; and

- appropriate information as to the steps to be taken if you wish to submit your claim for review, including a description of the Plan's review procedures and the time limits applicable to such procedures and a statement of your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.

Request for Review if Your Claim Is Denied

After receiving a denial notice, you or your legal representative may appeal the denied claim and may: (1) request a review upon written application to the Plan Administrator; (2) review pertinent documents; and (3) submit written comments, documents, records, or other information relating to the claim; provided that such appeal is made within 60 days of the date you receive notification of the denied claim. If written request for review is not made within such 60-day period, you will forfeit your right to review. If you and/or your representative timely appeal the denied claim, the Plan Administrator will provide you with, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to your claim. The Plan Administrator's review will take into account all comments, documents, records, and other documents submitted by you relating to the claim, without regard to whether the information was submitted or considered in the initial benefit determination.

Final Decision

Upon receipt of a request for review, the Plan Administrator will provide written notification of its decision to you within a reasonable time period but not later than 60 days after receiving the request, unless special circumstances require an extension for processing the review. If such an extension is required, the Plan Administrator will notify you of such extension within 60 days of the date the appeal was received by the Plan Administrator, the special circumstances, and the date, no later than 120 days after the original date the review was requested, by which the Plan Administrator will notify you of its decision. If an extension is required due to your failure to submit information necessary to decide a claim, the period for making the benefit determination on review shall be tolled from the date on which the notification of the extension is sent to you until the date on which you respond to the request for additional information. If you do not respond to the Plan Administrator's request for additional information within the reasonable time frame set forth by the Plan Administrator, the Plan Administrator may deny your appeal. A written notification from the Plan Administrator that your appeal has been denied will set forth, in a manner calculated to be understood by you:

- the specific reason(s) for the adverse determination;
- specific references to the Plan provisions on which the adverse determination is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to your claim for benefits; and
- a statement describing any voluntary appeal procedures offered by the Plan, your right to obtain information about those procedures, and your right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.

No claim for benefits under the Plan may be brought in any forum until you (a) have submitted a written application for benefits in accordance with the procedures described above, (b) have been notified by the Plan Administrator or its delegate that the application is denied, (c) have filed a written request for a review of the application in accordance with the appeal procedure described above, and (d) have been notified in writing that the Plan Administrator has denied the appeal.

Final Dispute Resolution

Any and all claims and disputes under the Plan (including but not limited to claims and disputes regarding interpretation, scope, or validity of the Plan, and any pendant state claims if not otherwise preempted by ERISA) must follow the claims procedures described above, before you may take action in any other forum regarding a claim for benefits under the Plan. Furthermore, any action you initiate under the Plan must be brought in accordance with this provision and must be brought within **one year** of a final determination on the claim for benefits under these claims procedures or your benefit claim will be deemed permanently waived and abandoned and you will be precluded from reasserting it.

In the event of any such further dispute, claim, question, or disagreement arising out of or relating to this Plan, you shall use your best efforts and the Company shall use its best efforts to settle such dispute, claim, question, or disagreement. To this effect, you and the Company shall consult and negotiate with each other, in good faith, and, recognizing mutual interests, attempt to reach a just and equitable resolution satisfactory to both parties.

If you and the Company do not reach a resolution within a period of 30 days, then such unresolved dispute, claim, question, or disagreement, upon notice by any party to the other, shall be submitted to and finally settled by arbitration in accordance with the Streamlined or Comprehensive Arbitration Rules and Procedures (the “**Rules**”) of the Judicial Arbitration and Mediation Service (“**JAMS**”) in effect at the time demand for arbitration is made by any such party. The parties shall mutually agree upon a single arbitrator within 30 days of such demand. In the event that the parties are unable to so agree within such 30-day period, then within the following 30-day period, the parties will request from JAMS a list of qualified arbitrators and will select an arbitrator in accordance with the Rules. Unless otherwise mutually agreed, the arbitrator shall be a practicing attorney with at least 15 years of experience and at least five years of experience as an arbitrator. Arbitration shall occur in the JAMS office closest to Simi Valley, California or such other location as may be mutually agreed by the parties.

All awards made by the arbitrators shall be final and binding, and judgment may be entered based upon such award in any court of law having competent jurisdiction. Any such award is subject to confirmation, modification, correction, or vacation only as explicitly provided in Title 9 of the United States Code (the “**Federal Arbitration Act**”). The parties acknowledge that this Plan evidences a transaction involving interstate commerce. The Federal Arbitration Act and the Rules shall govern the interpretation, enforcement, and proceedings pursuant to this provision. Any provisional remedy that would be available from a court of law shall be available from the arbitrator to the parties to this Plan pending arbitration. Either party may make an application to the arbitrators seeking injunctive relief to maintain the status quo, or may seek from a court of competent jurisdiction any interim or provisional relief that may be necessary to protect the rights

and property of that party, until such times as the arbitration award is rendered or the controversy otherwise resolved. To the extent consistent with applicable law, the arbitrator may award fees and costs to the successful party.

By participating in the Plan, you are agreeing to binding arbitration of any disputes that may arise relating to the Plan and waiving your right to a jury trial.

Discretionary Authority

Authority to decide initial claims under the Plan and denied claims on review under the Plan includes the full power and sole discretion to interpret Plan provisions and to make factual determinations, with the decisions, interpretations, and factual determinations made by the Plan Administrator or its delegate, as applicable, controlling. Any interpretation, determination or other action of such persons shall be subject to review only if it is arbitrary or capricious or otherwise an abuse of discretion. Any review of a final decision or action of the persons reviewing a claim shall be based only on such evidence presented to or considered by such persons at the time they made the decision that is the subject of review.

Exhibit A — List of Participants (as of December 3, 2024)

Name	Position
Brett Hush	Senior Vice President, Loitering Munitions
Jeff Rodrian	Senior Vice President, MacCready Works
Trace Stevenson	Senior Vice President, UnCrewed Systems

Exhibit B — Release of All Claims and Potential Claims & Code of Business Conduct and Ethics Disclosure Statement

RELEASE OF ALL CLAIMS AND POTENTIAL CLAIMS

1. This Release of All Claims and Potential Claims (“**Release**”) is entered into by and between _____ (“**Employee**”) and AeroVironment, Inc., a Delaware corporation (hereinafter the “**Company**”). Employee is a Participant under the AeroVironment, Inc. Executive Transaction Severance Plan (the “**Plan**”). In consideration of the promises made herein and the consideration due Employee under the Plan and Employee’s Participation Agreement, this Release is entered into between the parties effective as of the Release Effective Date (as defined below).

2. (a) The purposes of this Release are to settle completely and release the Company, its individual and/or collective officers, directors, stockholders, agents, parent companies, subsidiaries, affiliates, predecessors, successors, assigns, employees (including all former employees, officers, directors, stockholders and/or agents), attorneys, representatives and employee benefit programs (including the trustees, administrators, fiduciaries and insurers of such programs) (referred to collectively as “**Releasees**”) in a final and binding manner from every claim and potential claim for relief, cause of action and liability of any and every kind, nature and character whatsoever, known or unknown, that Employee has or may have against Releasees arising out of, relating to or resulting from any events occurring prior to the execution of this Release, including but not limited to any claims and potential claims for relief, causes of action and liabilities arising out of, relating to or resulting from the employment relationship between Employee and the Company and its subsidiaries, affiliates and predecessors, and/or the termination of that relationship including any and all claims and rights under the Age Discrimination in Employment Act (“**ADEA**”), and any personal gain with respect to any claim arising under the qui tam provisions of the False Claims Act, 31 U.S.C. 3730, but excluding any rights or benefits to which Employee is entitled under the Plan.

(b) This is a compromise settlement of all such claims and potential claims, known or unknown, and therefore this Release does not constitute either an admission of liability on the part of Employee and the Company or an admission, directly or by implication, that Employee and/or the Company, its subsidiaries, affiliates or predecessors, have violated any law, rule, regulation, contractual right or any other duty or obligation. The parties hereto specifically deny that they have violated any law, rule, regulation, contractual right or any other duty or obligation.

(c) This Release is entered into freely and voluntarily by Employee and the Company solely to avoid further costs, risks and hazards of litigation and to settle all claims and potential claims and disputes, known or unknown, in a final and binding manner.

3. For and in consideration of the promises and covenants made by Employee to the Company and the Company to Employee, contained herein, Employee and the Company have agreed and do agree as follows:

(a) Employee waives, releases and forever discharges Releasees from any claims and potential claims for relief, causes of action and liabilities, known or unknown, that

Employee has or may have against Releasees arising out of, relating to or resulting from any events occurring prior to the execution of this Release, including but not limited to any claims and potential claims for relief, causes of action and liabilities of any and every kind, nature and character whatsoever, known or unknown, arising out of, relating to or resulting from the employment relationship between Employee and the Company and its subsidiaries, affiliates and predecessors, and the termination of that relationship. For example, Employee is releasing all common law contract, tort, or other claims Employee might have, as well as all claims Employee might have under the ADEA, the Older Workers Benefit Protection Act, the Worker Adjustment & Retraining Notification Act (“*WARN Act*”), Title VII of the Civil Rights Act of 1964, Sections 1981 and 1983 of the Civil Rights Act of 1866, the Civil Rights Act of 1991, the Equal Pay Act, the Family and Medical Leave Act, the Americans With Disabilities Act (“*ADA*”), the Employee Retirement Income Security Act of 1974 (“*ERISA*”), the Equal Pay Act, the Family and Medical Leave Act of 1993, the Americans with Disabilities Act of 1990, the California Fair Employment and Housing Act, the California Equal Pay Law, the Moore-Brown-Roberti Family Rights Act of 1991, the California WARN Act, Cal. Lab. Code § 1400 *et seq.*; the California False Claims Act, Cal. Gov’t Code § 12650 *et seq.*; or the California Corporate Criminal Liability Act, California Labor Code, including but not limited to, Section 200 *et seq.* and 1102.5, and any applicable California Industrial Welfare Commission order and any similar domestic or foreign laws. In addition, this Release does not cover, and nothing in this Release shall be construed to cover, any claim that cannot be so released as a matter of applicable law.

(b) Employee agrees that Employee will not directly or indirectly institute any legal proceedings against Releasees before any court, administrative agency, arbitrator or any other tribunal or forum whatsoever by reason of any claims and potential claims for relief, causes of action and liabilities of any and every kind, nature and character whatsoever, known or unknown, arising out of, relating to or resulting from any events occurring prior to the execution of this Release, including but not limited to any claims and potential claims for relief, causes of action and liabilities arising out of, relating to or resulting from the employment relationship between Employee and the Company and its subsidiaries, affiliates and predecessors, and/or the termination of that relationship, including any and all claims and rights under the ADEA.

(c) Employee agrees not to engage in any conduct or make any oral or written public statement that is in any way critical of, or disparaging to, or otherwise derogatory about the Company or any of its products, services, business affairs, or financial condition, or any of the Company’s partners, affiliates, successors, or assigns, including any of its present or former officers, directors, partners, agents, or employees. However, nothing in this subsection shall prohibit Employee from complying with any lawful subpoena or court order or taking any other actions affirmatively authorized by law.

(d) Employee has disclosed to the Company any information Employee has concerning any conduct involving the Company or any affiliate that Employee has any reason to believe may be unlawful or that involves any false claims to the United States. Employee promises to cooperate fully in any investigation the Company or any affiliate undertakes into matters occurring during Employee’s employment with the Company or any affiliate.

(e) The parties understand and agree that nothing in the Plan or this Release:
(i) limits or affects Employee’s right to challenge the validity of this Release, including, without

limitation, a challenge under the ADEA; (ii) in any way interferes with Employee's right and responsibility to give truthful testimony under oath; or (iii) precludes Employee from participating in an investigation, filing a charge or otherwise communicating with any federal, state or local government office, official or agency, including, but not limited to, the Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, or the Securities and Exchange Commission. Employee agrees never to seek or accept any compensatory damages, back pay, front pay or reinstatement remedies for Employee personally with respect to any claims released by this Release; provided, however, that Employee may accept awards from the Securities and Exchange Commission.

4. Employee agrees to continue to comply with the terms of the Full Release and the Company's standard form of confidential information and inventions assignment agreement and/or other agreements regarding non-competition, non-solicitation, non-disparagement, confidentiality, assignment of inventions or other similar covenants between such Employee and the Company (the "**Restrictive Covenants**"), including all post termination obligations contained therein. In addition to all other rights and remedies available to the Company under law or in equity, the Company shall be entitled to withhold all Plan Benefits payable under the Plan in the event of Employee's breach of Restrictive Covenants.

5. During the period commencing on the Termination Date and ending on the first anniversary thereof (the "**Consulting End Date**"), Employee agrees to provide transition consulting services to the Company (the "**Consulting Period**"). Employee's consulting services pursuant to this Section 5 and Section 6 below shall automatically terminate on the Consulting End Date (subject to earlier termination as provided in this Section 5). Employee may terminate the Consulting Period upon thirty (30) days' written notice to the Company. The Company may terminate the Consulting Period immediately in the event of Employee's material breach of this Release or the Restrictive Covenants. Employee's receipt of the Equity Award Plan Benefits under Section III of the Plan is subject to Employee's continued consulting services pursuant to this Section 5 and Section 6 below during the Consulting Period. In the event the Consulting Period terminates for any reason, the Equity Award Plan Benefits under Section III of the Plan shall cease immediately. Employee's sole compensation from the Company for any service during the Consulting Period shall be the Plan Benefits.

6. During the Consulting Period, Employee shall use reasonable efforts to devote such percentage of his business time and effort to the performance of his services hereunder as shall be mutually agreed upon by Employee and the Company in order to provide such transitional information, advice and assistance concerning matters that are within the scope of Employee's knowledge and expertise. Notwithstanding any provision of this Release to the contrary, during the Consulting Period, Employee acknowledges that Employee is and shall at all times be an independent contractor. During the Consulting Period, Employee may engage in employment, consulting or other work relationships in addition to his work for the Company, provided that such engagements do not violate the provisions of this Release or the Restrictive Covenants.

7. As a material part of the consideration for this Release, Employee and Employee's agents and attorneys, agree to keep completely confidential and not disclose to any person or entity, except immediate family, attorneys, accountants, or tax preparers, or in response to a court order or subpoena, the terms and/or conditions of this Release and/or any understandings, agreements,

provisions and/or information contained herein or with regard to the employment relationship between Employee and the Company and its subsidiaries, affiliates and predecessors.

8. Any dispute, claim or controversy of any kind or nature, including but not limited to the issue of arbitrability, arising out of or relating to this Release, or the breach thereof, or any disputes which may arise in the future, shall be settled in a final and binding before an arbitrator appointed by the Judicial Arbitration and Mediation Service in accordance with **Annex 2** to this Release. The prevailing party shall be entitled to recover all reasonable attorneys' fees, costs and necessary disbursements incurred in connection with the arbitration proceeding. Judgment upon the award may be entered in any court having jurisdiction thereof. The Company and the Employee acknowledge and agree that they are hereby waiving any rights to trial by jury in any action, proceeding or counterclaim brought by either of the parties against the other in connection with any matter whatsoever arising out of or related to the Release. Employee further waives Employee's right to pursue claims against the Company on a class, collective, or representative action; provided, however, that Employee does not waive Employee's right, to the extent preserved by law, to pursue representative claims against the Company under the California Private Attorney General Act.

9. It is further understood and agreed that Employee has not relied upon any advice whatsoever from the Company and/or its attorneys individually and/or collectively as to the taxability, whether pursuant to Federal, State or local income tax statutes or regulations, or otherwise, of the consideration transferred hereunder and that Employee will be solely liable for all of Employee's tax obligations. Employee understands and agrees that the Company or its subsidiaries, affiliates or predecessors, may be required by law to report all or a portion of the amounts paid to Employee and/or Employee's attorney in connection with this Release to federal and state taxing authorities. Employee waives, releases, forever discharges and agrees to indemnify, defend and hold the Company harmless with respect to any actual or potential tax obligations imposed by law.

10. Employee acknowledges that Employee has read, understood and truthfully completed the Business Ethics and Conduct Disclosure Statement attached hereto as **Annex 1**.

11. It is further understood and agreed that Releasees and/or their attorneys shall not be further liable either jointly and/or severally to Employee and/or Employee's attorneys individually or collectively for costs and/or attorneys' fees, including any provided for by statute, nor shall Employee and/or Employee's attorneys be liable either jointly and/or severally to the Company and/or its attorneys individually and/or collectively for costs and/or attorneys' fees, including any provided for by statute.

12. Employee understands and agrees that if the facts with respect to which this Release are based are found hereafter to be other than or different from the facts now believed by Employee to be true, Employee expressly accepts and assumes the risk of such possible difference in facts and agrees that this Release shall be and remain effective notwithstanding such difference in facts.

13. Employee understands and agrees that there is a risk that the damage and/or injury suffered by Employee may become more serious than Employee now expects or anticipates. Employee expressly accepts and assumes this risk, and agrees that this Release shall be and

Exhibit B-4

remains effective notwithstanding any such misunderstanding as to the seriousness of said injuries or damage.

14. Employee understands and agrees that if Employee hereafter commences any suit arising out of, based upon or relating to any of the claims and potential claims for relief, cause of action and liability of any and every kind, nature and character whatsoever, known or unknown, Employee has released herein, Employee agrees to pay Releasees, and each of them, in addition to any other damages caused to Releasees thereby, all attorneys' fees incurred by Releasees in defending or otherwise responding to said suit.

15. It is further understood and agreed that this Release shall be binding upon and will inure to the benefit of Employee's spouse, heirs, successors, assigns, agents, employees, representatives, executors and administrators and shall be binding upon and will inure to the benefit of the individual and/or collective successors and assigns of Releasees and their successors, assigns, agents and/or representatives.

16. This Release shall be construed in accordance with and governed for all purposes by the laws of the State of [_____].

17. Employee agrees that Employee will not seek future employment with, nor need to be considered for any future openings with the Company, any division thereof, or any subsidiary or related corporation or entity.

18. Employee and Releasees expressly waive all rights under Section 1542 of the Civil Code of the State of California, which they fully understand, and any other similar provision or the law of any other state or jurisdiction. Section 1542 provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY, AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

19. Notwithstanding anything in this Release to the contrary, Employee does not waive, release or discharge any rights to indemnification for actions occurring through Employee's affiliation with the Company or its subsidiaries, affiliates or predecessors, whether those rights arise from statute, corporate charter documents or any other source nor does Employee waive, release or discharge any right Employee may have pursuant to any insurance policy or coverage provided or maintained by the Company or its subsidiaries, affiliates or predecessors.

20. If any part of this Release is found to be either invalid or unenforceable, the remaining portions of this Release will still be valid and enforceable.

21. This Release is intended to release and discharge any claims of Employee under the Age Discrimination and Employment Act. To satisfy the requirements of the Older Workers' Benefit Protection Act, 29 U.S.C. section 626(f), the parties agree as follows:

Exhibit B-5

- A. Employee acknowledges that Employee will receive consideration in exchange for this Release to which Employee would not otherwise be entitled.
- B. Employee acknowledges that Employee has read and understands the terms of this Release.
- C. Employee acknowledges that Employee has the right to and has been advised in writing to consult with an attorney, if desired, concerning this Release and has received all advice Employee deems necessary concerning this Release.
- D. Employee acknowledges that Employee has been given twenty-one (21) days (or forty-five (45) days, if required by applicable law) to consider whether to enter into this Release, has taken as much of this time as necessary to consider whether to enter into this Release, and has chosen to enter into this Release freely, knowingly and voluntarily.
- E. For a seven day period following the execution of this Release, Employee may revoke this Release by delivering a written revocation to at the Company. This Release shall not become effective and enforceable until the revocation period has expired. The date on which this Release becomes effective is referred to herein as the “**Release Effective Date.**”

22. Employee acknowledges that Employee has been encouraged to seek the advice of an attorney of Employee’s choice with regard to this Release. Having read the foregoing, having understood and agreed to the terms of this Release, and having had the opportunity to and having been advised by independent legal counsel, the parties hereby voluntarily affix their signatures.

23. This Release is to be interpreted without regard to the draftsman. The terms and intent of this Release shall be interpreted and construed on the express assumption that all parties participated equally in its drafting.

24. This Release constitutes a single integrated contract expressing the entire agreement of the parties hereto. Except for the Plan, which defines certain obligations on the part of both parties, and this Release, there are no agreements, written or oral, express or implied, between the parties hereto, concerning the subject matter herein.

25. This Release only may be amended by a written agreement that the Company and Employee both sign.

Dated: _____, 20__

[Signature]

[Print Name]

AeroVironment, Inc.

By: _____

Name: _____

Its: _____

Exhibit B-7

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ANNEX 1 TO EXHIBIT A
CODE OF BUSINESS CONDUCT AND ETHICS
DISCLOSURE STATEMENT

Are you aware of any illegal or unethical practices or conduct anywhere within AeroVironment, Inc. or its subsidiaries, affiliates or predecessors (the “*Company*”) (including, but not limited to, improper charging practices, or any violations of the Company’s Code of Business Conduct and Ethics, as amended and restated as of the date of this Disclosure Statement)?

Yes No

(Your answer to all questions on this form will not have any bearing on the fact or terms of your Release with the Company.)

If the answer to the preceding question is “yes,” list here, in full and complete detail, all such practices or conduct. (Use additional pages if necessary.)

Have any threats or promises been made to you in connection with your answers to the questions on this form?

Yes No

If “yes,” please identify them in full and complete detail. Also, notify the Company’s General Counsel immediately.

I declare under penalty of perjury, under the laws of the State of California and of the United States, that the foregoing is true and correct.

Executed this _____ of _____, 20__.

[Signature]

[Print Name]

ANNEX 2 TO EXHIBIT A**DISPUTE RESOLUTION PROGRAM****1. Arbitration Procedural Rules**

Either party may initiate an arbitration under the then-current JAMS Employment Dispute Rules and Procedures. The applicable arbitral rules are available for review at www.jamsadr.com (under the Rules/Clauses tab).

- 1.1. The parties will make reasonable efforts to agree upon a mutually satisfactory arbitrator chosen from the JAMS panels. If the parties are unable to agree upon an arbitrator within 30 days of either party's notice to the other party of a demand for arbitration, the Company will request from JAMS a list of qualified arbitrators. The parties will then select an arbitrator in accordance with JAMS Employment Dispute Rules and Procedures. Unless otherwise mutually agreed, the arbitrator shall be a practicing attorney with at least 15 years of experience and at least five years of experience as an arbitrator.
- 1.2. The Company and the Employee agree that the arbitration will be conducted by a single arbitrator in the JAMS office (as applicable) closest to nearest the Employee's most recent assigned place of work (or such other location as is mutually agreed to by the parties).
- 1.3. The nature of the substantive claims asserted will determine which body of substantive laws will apply. In the event that there is a dispute regarding which substantive laws apply, the arbitrator shall decide that issue.
- 1.4. The parties agree that all proceedings before the arbitrator will remain confidential between the parties, including but not limited to any depositions, discovery, pleadings, exhibits, testimony, or award. The parties will inform third parties (including witnesses) necessary to the proceeding that the proceeding is confidential, and use reasonable efforts to secure that individual's agreement to maintain such confidentiality. The requirement of confidentiality, however, will not apply in the event that either party seeks to confirm an arbitral award and enter a judgment thereon in an appropriate court, or if any such arbitral award is appealed to an appropriate court.

2. Injunctive or Other Interim Relief

Any provisional remedy that would be available from a court of law shall be available from the arbitrator to the parties to the Release pending arbitration. The Company or the Employee may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under this Paragraph 2, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights of that party, pending the establishment of the arbitral tribunal (or pending the arbitral tribunal's determination of the merits of the controversy).

3. Remedies, Written Decision, Fees.

Final resolution of any dispute through arbitration may include any remedy or relief available under applicable law. At the conclusion of the arbitration, if either party requests, the arbitrator will issue a written decision that sets forth the essential findings and conclusions upon which the arbitrator's award or decision is based. Any costs unique to arbitration (such as the costs of the arbitrator and room fees) will be paid by the Company and the parties will otherwise bear their own fees and costs, including attorneys' fees and expert fees. The Company and the Employee acknowledge and agree that they are hereby waiving any rights to trial by jury in any action, proceeding or counterclaim brought by either of the parties against the other in connection with any matter whatsoever arising out of or related to the Release. A successful party may make application to the arbitrator for an award of fees and/or costs and the arbitrator may award such fees and costs consistent with applicable law.

4. Application of FAA and Questions of Arbitrability.

The Company and the Employee agree that the Federal Arbitration Act, 9 U.S.C. § 1 et seq. ("FAA") governs the enforceability of any and all of the arbitration provisions in the Release and/or this Exhibit. All awards made by the arbitrator shall be final and binding, and judgment may be entered based upon such award in any court of law having competent jurisdiction. Any such award is subject to confirmation, modification, correction, or vacation only as explicitly provided in Title 9 of the FAA. Questions related to procedures (including venue and choice of arbitrator), timeliness, and arbitrability (that is whether an issue is subject to arbitration under the Release and/or this Exhibit) shall be decided by the arbitrator.

Claims filed must be timely, i.e., within the time set by the applicable statute(s) of limitations.

5. Administrative Remedies.

The parties further agree that nothing in the Release and/or this Exhibit precludes any party from filing or participating in administrative proceedings before the California Unemployment Insurance Appeals Board, California Workers Compensation Appeals Board, California Labor Commissioner, California Division of Labor Standards Enforcement, the California Department of Fair Employment & Housing, or similar California or federal administrative agencies, to address alleged violations of law enforced by those agencies. If the Employee exercises such administrative remedies, the Company will not retaliate against the Employee for doing so. The Company, however, reserves the right to oppose any such administrative proceeding, including on the grounds that such agency(ies) lack jurisdiction over any dispute. Notwithstanding the foregoing, to the extent permitted by law, if the Employee or the Company seeks to appeal any such administrative award to a court of competent jurisdiction and/or for a trial de novo in such a court, the Employee and the Company agree that that such appeal or trial de novo is subject to the binding arbitration requirement described above in the Release and this Exhibit.

6. The Employee Understands His/Her Agreement to Arbitrate.

The Employee represents and warrants that he/she understands the meaning and effect of the agreement to arbitrate and has been provided reasonable time and opportunity to consult with legal counsel regarding this agreement to arbitrate.

Annex 2-3

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Exhibit C — Form of Executive Transaction Severance Plan Participation Agreement**AEROVIRONMENT, INC.****EXECUTIVE TRANSACTION SEVERANCE PLAN
PARTICIPATION AGREEMENT**

[Date]

[Name]

By Email

Dear [Name]:

As a key employee of AeroVironment, Inc. (the “**Company**”) you have been designated as a “Participant” in the AeroVironment, Inc. Executive Transaction Severance Plan (the “**Plan**”), a copy of which is being provided to you with this agreement (this “**Participation Agreement**”). Capitalized terms not otherwise defined herein shall have the meanings given to them in the Plan. In order to be eligible for benefits under the Plan, you must provide a signed copy of this Participation Agreement to the Company no later than December [], 2024.

The Plan provides for certain severance payments and benefits (together, the “**Plan Benefits**”) in the event you experience a “Qualifying Termination,” which is defined in the Plan as an involuntary termination of your employment other than for Cause on or prior to November 18, 2025. As a Participant in the Plan, in the event of your Qualifying Termination, you are eligible to receive the severance payments and benefits set forth in Section III of the Plan in accordance with the terms and conditions of the Plan, as summarized below:

Plan Benefit	Description	Payment Timing
<i>Cash Severance</i>	An amount equal to your Base Salary Amount.	Paid in a lump sum 30 days after Termination Date.
<i>Pro Rata Bonus</i>	Provided your termination occurs outside the period starting on April 1, 2025 through and including June 30, 2025, a pro-rated Bonus Amount for the fiscal year in which your Termination Date occurs, based on days elapsed during the fiscal year prior to Termination Date.	Paid in a lump sum 30 days after Termination Date.
<i>Continuation Period Benefits</i>	Continued medical, dental, and vision benefits during the 12 month period following your Termination Date (or, if earlier, when you accept other	Ongoing during Continuation Period.

Exhibit C-1

	employment) at Company expense, subject to the terms and conditions and limitations of the Company (or affiliate) plan under which such benefits are provided.	
<i>Equity Award Plan Benefits</i>	<p>You will remain eligible to vest in such number of your Equity Awards, the vesting of which is solely service-based, as are scheduled to vest during the 12-month period following the date of your Qualifying Termination, as determined in accordance with the vesting schedule(s) provided in the applicable Equity Award agreement(s), subject to your continued transition consulting services through each applicable vesting date during such period as provided in the Full Release.</p> <p>For the avoidance of doubt, the vesting of any Equity Awards that are tied in whole or in part to performance shall cease as of the Termination Date, unless otherwise determined by the Company.</p>	Any regularly-occurring vesting date during the 12-month period following the date of your Qualifying Termination.
<i>Outplacement Services</i>	You will receive outplacement services suitable to your position until the end of the 12 month period following your Termination Date (or, if earlier, when you accept other employment)	Ongoing during Continuation Period.

You acknowledge and agree that notwithstanding anything herein, in the Plan, or otherwise to the contrary, your eligibility for the foregoing “**Plan Benefits**” is subject to certain conditions.

You will not be entitled to any payments or benefits from the Company under the Plan in connection with a Qualifying Termination unless you have signed and not revoked a waiver and release of claims agreement in substantially the form attached as **Exhibit A** to the Plan (the “**Full Release**”). In the event this Full Release is not effective in accordance with its terms within thirty

(30) days (or such longer period to the extent required by applicable law, but in no event more than sixty (60) days) following the Termination Date (including the expiration of any revocation period thereunder without your revocation of the Full Release), you will not be entitled to any Plan Benefits.

The Plan Benefits provided are intended to be and are exclusive and in lieu of any other severance benefits or payments to which a Participant may otherwise be entitled, either at law, tort, or contract, in equity, or under the Plan, in the event of any Qualifying Termination. In furtherance of the foregoing, you will not be entitled to any Plan Benefit under the Plan which duplicates a payment or benefit received or receivable by you under any individual agreement with the Company, or any other plan, program or arrangement of the Company or any severance or pay in lieu of notice required by applicable law or regulation, **including, without limitation, the Worker Adjustment and Retraining Notification Act (“WARN”) or any similar state or local statute, rule or regulation.** If you have a right to payments or benefits upon a Qualifying Termination that duplicate any Plan Benefit under this Plan, the Plan Benefits shall be reduced, dollar for dollar, by the amount of the duplicate payment(s) and benefit(s). Such reductions may be applied on a retroactive basis, with severance benefits previously paid being recharacterized as payments pursuant to a statutory obligation of the Company.

By signing below, you acknowledge receipt of a copy of the Plan, represent that you have read and are familiar with the provisions of the Plan and this Participation Agreement, and acknowledge that decisions and determinations by the Plan Administrator under the Plan shall be final and binding on you. This Participation Agreement is subject in all respects to the terms, conditions and provisions of the Plan, as amended from time to time, all of which are made a part of and incorporated by reference into this Participation Agreement. In the event of any conflict between the terms of this Participation Agreement and the terms of the Plan, the terms of the Plan shall govern. Please note that participation in the Plan does not create any right to continued employment with the Company or its affiliates, and the Company and its affiliates retain the right to terminate your employment for any reason, with or without Cause.

This Participation Agreement and the Plan constitute the entire agreement of the parties with respect to the subject matter hereof and supersede all prior agreements, written or oral. This Participation Agreement may only be amended in writing signed by you and an authorized officer of the Company. This Participation Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as an original and shall constitute an effective, binding agreement on the part of each of the undersigned.

Please confirm your agreement to the foregoing by signing this Participation Agreement where indicated below and returning a copy to the Company.

(The remainder of this page has been intentionally left blank)

Exhibit C-3

Sincerely,

AEROVIRONMENT, INC.

By: _____

Name: _____

Title: _____

Acknowledged and Agreed:

PARTICIPANT

Print Name: _____

Date: _____

Exhibit C-4

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**Certification of Principal Executive Officer
Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934**

I, Wahid Nawabi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AeroVironment, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 4, 2024

/s/ Wahid Nawabi

Wahid Nawabi

Chairman, President and Chief Executive Officer

**Certification of Principal Financial Officer
Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934**

I, Kevin P. McDonnell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of AeroVironment, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 4, 2024

/s/ Kevin P. McDonnell

Kevin P. McDonnell

Senior Vice President and Chief Financial Officer

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code) (the "Act"), each of the undersigned officers of AeroVironment, Inc., a Delaware corporation (the "Company"), does hereby certify, to each such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended October 26, 2024 (the "Periodic Report") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)) and information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Wahid Nawabi

Wahid Nawabi

Chairman, President and Chief Executive Officer

/s/ Kevin P. McDonnell

Kevin P. McDonnell

Senior Vice President and Chief Financial Officer

Dated: December 4, 2024

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.